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SPECIAL ARTICLES

REGULAR FEATURES

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• In the Record •

Current Major Medical Plans

One of the definitions of catastrophe given in Webster's dictionary is "an event overturning the order or system of things." It is likely that any family that has had to cope with the expense of prolonged hospitalization and costly medical treatment would profoundly concur with Webster's definition. Not only are savings often wiped out overnight but an intolerable burden of debt may soon accumulate.

Therefore it is not surprising that an insurance plan that provides protection against major medical expenses should have caught the imagination of employer and employee alike —a fact attested to by the tremendous growth of these plans over the past few years.

The article starting on the next page analyzes thirty-nine current major medical plans. Questions such as the following are investigated: How much must an employee pay "out of pocket" before he can collect benefits from the plan? Once the benefits go into effect, what percentage of the over-all expense do they cover? What disabilities are excluded from coverage? How long may benefits be collected? Who is covered by the plans? And what are the eligibility requirements?

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The What, Where, When and Why of Grievances

The 20th century has been labeled by some the age of analysis. And unquestionably the analytic technique has found application in many diversified fields. One of these is grievance and arbitration analysis, which is used today by a great many companies and a number of large unions. They have found it worthwhile to keep records of grievances, which may include such data as *what* the grievance concerns, *where* *it* arose, *when* it arose and *when* it was settled. From such information, the most important question of all—*why* the grievance arose—may be answered. And often it is just a short step from there to elimination of the trouble.

The article on "The What, Where, When and Why of Grievances" (page 317) gives examples of these various types of grievance analysis.

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Time Off To Vote

In the last Presidential election, more people voted for both winner and loser than ever before in our history. It is still too early to know how many people will vote in the 1956 election, but one thing is certain—many voters will be employees who will receive time off from work in order to cast their ballots. Some of these employees will be covered by company practices that permit them anywhere from one hour to a full day off to vote in general elections. Others will be covered by state laws assuring them sufficient time to vote.

But, as the article starting on page 314 points out, not all states have such laws, and others do not specify whether employees must be paid for the time they are absent. To cover these many differences, "Time Off To Vote" contains a two-page table in which the provisions of the laws in each of the forty-eight states are summarized.

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Language Learning for Foreign-Service Personnel

It has become a cliche to speak of a "rapidly shrinking world." But for many American firms with expanding trade and operations in all parts of the globe, the modern world has truly shrunk. To staff these ever-growing foreign operations, many companies must use American personnel—especially for technical and supervisory positions. As a result, for many Americans it has become mandatory to learn to speak a foreign language fluently.

But what are company attitudes and practices toward their employees learning foreign languages? Do they underwrite the cost of courses? If instruction is offered, is it given in this country or abroad? These are only a few of the many aspects of "Language Learning for Foreign-Service Personnel" that are covered in the article starting on page 310.

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Wages Chase Prices In Classical Spiral

The purchasing power of the consumer dollar is beginning to show strong symptoms of deterioration, with the July dollar worth just under 98 cents as compared with the 1953 base of 100 cents. At the same time, the breadwinner's pay envelope continues to grow—at least in the wage-earner sector. The Conference Board's consumer price series, a feature of this organization's research activities since World War I, and the more recently inaugurated tabulation of wage adjustments are discussed in articles beginning on pages 326 and 334.

Current Major Medical Plans

This analysis of thirty-nine plans gives a comprehensive picture of how this important new insurance operates in American industry today

FEW DEVELOPMENTS in the employee benefits field have caught the imagination of management, union, employee and public as quickly as "catastrophe" medical expense insurance. The basic reason for this interest is the dramatic protection which major medical insurance provides when a really expensive illness hits an individual. Major medical plans have shown that, at a reasonable cost, they can change an intolerable debt burden into a merely worrisome one.

Although it is barely seven years since the first major medical plan was installed, growth has been extensive. The Health Insurance Council reports that the 2,235,000 people with major medical coverage at the end of 1954 represented a twentyfold increase over the previous three years. During the year 1954 alone, the number of people with major medical protection increased 83%.[1] And if the same rate of increase occurs in 1955 and 1956, approximately 7.5 million people will then be protected against major medical expenses.

Another dimension to the impressive growth of major medical insurance is illustrated by data from a Conference Board study of group insurance which is now in process. About 20% of the 187 manufacturing companies being studied have major medical programs, and at least another 5% expect to have such plans before the year is out. The thirty-nine major medical plans found in these 187 manufacturing companies are fairly well scattered, with no obvious concentrations in any particular industry. But the presence of a major medical plan does seem to be associated with the size of a company, as the following data indicate:

- 61% (eleven) of the eighteen companies with 20,000 employees or more have major medical plans;
- 27% (nineteen) of the seventy companies with 3,000 to 20,000 employees have plans;
- 14% (nine) of the sixty-five companies with 500 to 3,000 workers have plans;
- None of the thirty-four companies with less than 500 employees have major medical expense protection.

[1] "The Extent of Voluntary Health Insurance Coverage in the United States," The Health Insurance Council, New York, 1955, p. 21.

Although care must be used in generalizing the information about major medical insurance found in these 187 manufacturing companies, the sample may give acceptable clues about the prevalence and kinds of plans common to industry early in 1956. Therefore, this article is primarily an analysis of the thirty-nine major medical plans found in the above sample.[1]

It should be noted that for the purposes of this article a major medical insurance plan is defined as one which is designed to reimburse an employee for medical expenses incurred over and beyond the expenses covered by the "basic" or "base" hospital-surgical-medical expense plan. This additional protection has been the primary practical purpose of nearly all major medical plans installed by employers.

Recently a new type of plan covering major medical expenses has appeared—the "comprehensive medical plan"—which dispenses with the distinction between basic plan and major medical plan benefits. Under this program, the basic plan is dropped completely. Instead the comprehensive plan encompasses the area of benefits usually provided by both the base plan and the major medical plan. This arrangement has some wider implications for the general problem of medical care than major medical plans, as defined in this article. But since they do provide protection against major medical expense, two plans of this type are included among the thirty-nine plans analyzed. And they are analyzed in a separate section as well.

A basic plan is, of course, designed primarily for short-term illness. Two of the companies with major medical plans use Blue Cross-Blue Shield insurance as their base plans. The other thirty-five base plans are underwritten by insurance companies. All of the major medical plans in this study are underwritten by insurance companies, although the national Blue Cross organization—Health Service, Inc.—has recently begun to offer major medical insurance.

GROUPS COVERED AND FINANCING

When major medical insurance was first sold on a group basis, invariably it was offered only to high sal-

[1] Except for ten public utilities, all 187 companies are manufacturers. Eighty-six per cent are unionized and 80% have headquarters located east of Chicago and north of the Mason-Dixon line. Eighteen per cent employ less than 500 people and 10% more than 20,000. Nearly one-quarter employ 1,000 to 3,000 workers.

aried employees. However, as Table 1 illustrates, the trend now is toward the inclusion of lower salaried people as well. Fourteen of the thirty-nine plans studied cover only highly paid personnel. But just as many (fifteen) cover all salaried people regardless of earnings; and ten cover all employees—hourly and salaried. Except in three plans, dependents of covered employees are also eligible for benefits.

In twenty-two of the plans analyzed, the premiums are paid by the company and employee jointly. And in thirteen companies the employee pays the entire premium for himself and his dependents. Only four companies pay the entire cost of the major medical plan, and in three of these, dependents are not included in the plan.

ELIGIBILITY REQUIREMENTS

Even if an employee is a member of the group to which major medical insurance is offered, he still must meet certain requirements before he is eligible to enroll in the plan.

In some companies an employee must work a certain length of time before he can enroll. For example, in the thirty-nine plans studied here, five require one month of service; five stipulate two months; and another nine require three months' service. However, in the remaining twenty companies an employee may enroll on the day he is hired.

Another common eligibility requirement is that the employee first join the basic hospital-surgical-medical plan. Twenty-nine of the thirty-nine plans have this requirement, but eight plans do not. In the two comprehensive medical plans there is, of course, no basic plan as such.

Even though an employee meets all of the above eligibility requirements, neither he nor his dependents will be covered by the major medical plan if he is away from work because of illness on the day he would otherwise be eligible to enroll. However, the employee can enroll on the day he returns to work on a full-time basis, and his dependents are then usually covered as well. But if a dependent is ill when the employee enrolls, that dependent's coverage invariably is postponed.

How long coverage is postponed and the definition of a "pre-existing" illness varies among underwriting companies. For example, some of the thirty-nine plans studied here state that coverage will be postponed only if the dependent is actually in a hospital on the day the coverage should start. In such cases, coverage becomes effective on the day the dependent is released from the hospital. Other plans postpone enrollment until satisfactory evidence of insurability is given if the dependent was hospitalized at any time during the month prior to the enrollment date. And some plans postpone coverage for three months if the dependent was hospitalized or under a physician's care at any time during the month prior to the enrollment date.

Table 1: Coverage and Financing of Major Medical Plans

Who Is Covered	Total Plans	Who Pays: Company Pays All	Employee Pays All	Joint Contribution
All employees				
and their dependents	8	1	2	5
but not dependents	2	2	—	—
All salaried employees				
and their dependents	14	—	3	11[a]
but not dependents	1	1	—	—
All salaried (including dependents) earning:				
$4,800 and over	1	—	1	—
$5,700 and over	1	—	—	1
$5,800 and over	1	—	—	1
$6,000 and over	2	—	2	—
All employees (including dependents) earning:				
$5,000 and over	1	—	1	—
$7,500 and over	1	—	1	—
$8,000 and over	1	—	1	—
$10,000 and over	1	—	—	1
Management (including dependents)	3	—	2	1
Selected individuals	2	—	—	2
Total plans	39	4	13	22

[a] Includes one company which pays employee coverage while employee pays dependent coverage.

DISABILITIES COVERED

Major medical insurance tackles practically every kind of disability. Whether medical bills pile up because of a broken leg or because of cancer is not a consideration in determining whether major medical insurance will come into play. The effective determinant is the *size* of the medical expense, not the nature of the disability that causes the expense.

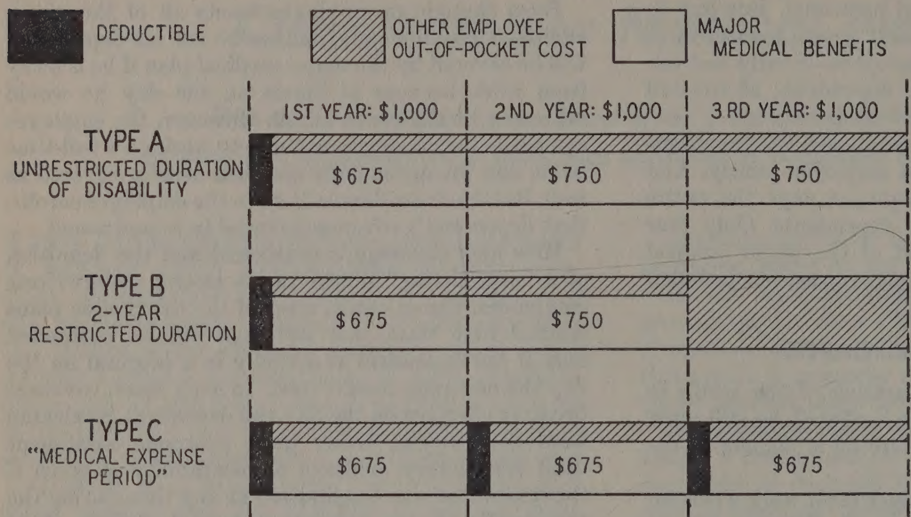
However, certain kinds of disability are excluded from major medical coverage. For example, the following illnesses are excluded from coverage under all of the thirty-nine plans analyzed:

- Disabilities for which benefits are available under workmen's compensation or similar legislation.
- Disabilities for which benefits would be available free of charge from a governmental unit were insurance not in effect.
- Disabilities due to an act of war occurring while the insurance is in effect.
- Dental care and cosmetic surgery, unless required as a result of an accident which occurs while the insurance is in effect.
- Expenses for eyeglasses or hearing aids.
- Disabilities due to pregnancy, except for specified types of serious ailments.

In addition to the universal exclusion of the above kinds of disability, all plans exclude expenses for medical examinations for "check-up" purposes if the exam-

Chart 1: "Per Disability" Benefit Periods

Applied to major medical expenses of $3,000, incurred over three years equally.
Specified dollar deductible: $100; Coinsurance: 25%-75%; Maximum: $5,000



ination is not necessary to the treatment of a disability. A few plans also specifically exclude illnesses due to alcoholism and drug addiction, and two plans exclude nervous and mental disabilities which are not serious enough to require hospitalization. In two cases the major medical plan is designed to cover only those disabilities which require hospitalization.

TYPE OF EXPENSES COVERED

For any given disability covered by a major medical policy, the plan covers practically *every type* of expense, regardless of the source of the expense.

These covered costs include: all doctor bills—for surgeons or other specialists and for doctor visits at home, office or hospital; services of registered nurses; hospital room and board expenses; and a wide variety of other medical services—whether provided in or out of a hospital—including such things as prescription drugs, ambulance service, artificial limbs, casts and splints, anaesthetics, oxygen, blood transfusions, diagnostic laboratory procedures and rental of iron lungs or other durable therapeutic instruments.

Essentially the only restriction on expenses is that they be "reasonable" and be prescribed by a doctor licensed to practice medicine. In other words, the sole determinant of whether major medical insurance will come into play is the *size* of the total bill and not the nature of the expenses that cause the total bill.

Furthermore, because major medical insurance is only concerned with the total bill, all types of expenses are reimbursed to the same degree. This is in sharp contrast to current base plans in which reimbursement varies according to the type of expense. For example, under a base plan, the room and board allowance may be $15 per day and home visits by a doctor, if covered at all, may be $3 per visit.[1]

Because of this inclusive approach to expenses, the major medical plan supplements the base plan in two important ways: it covers items of medical expenses not usually covered by the base plan at all; and it makes additional benefits available for those types of expenses which are included in the base plan.

THE BENEFIT PERIOD

Major medical plans are applied, in practice, in two quite different ways. In some cases the plan is applied separately to each disability. In other cases, the plan is applied to a twelve-month period, regardless of how many specific disabilities occur during that time. In other words, one type of plan is concerned primarily with the expenses of a given disability; the other type with the total expenses of all disabilities within a twelve-month period.

Twenty-seven of the thirty-nine plans studied here apply major medical benefits separately to each disability. However, the manner in which this is done results in three different types of benefit periods. These three principal variations among plans studied here are illustrated in Chart 1 and outlined below:

- In five plans the benefit period is the duration of the disability. (Type A in chart.) The plans will pay off, up to a specified maximum, as long as the disability lasts.
- In thirteen plans a restriction is put on the length of time for which the plan will pay on any specific disability. (Type B in chart.) Ten of these plans will provide benefits for no more than two years.[2] One plan will pay benefits for no more than three years; and two plans will pay for no longer than six months after an employee is discharged from a hospital.
- Under the above types of benefit period, the deductible and the maximum benefits are applied only once to each disability. In nine plans, how-

[1] One limitation of this type is common in major medical plans—a dollar limit on private room accommodations. For example, nineteen of the thirty-nine plans have such a limit: eleven specify $20 per day; four, $25; and two each, $16 and $18.

[2] Four of these plans end the benefit period if there are no claims for three months.

ever, the deductible is reapplied each twelve months that the disability lasts.[1] (Type C in chart.) In other words, benefits are provided as long as the disability lasts, but each twelve months a new deductible is required. And, in two cases, a new twelve-month maximum for the disability is installed as well. This type of benefit period is called the "medical expense period."[2]

Twelve plans in this study apply major medical benefits to all expenses incurred in a twelve-month period, regardless of how many disabilities account for the total expenses. Diagrammatically, the results are identical to the medical expense period in Chart 1, except that Chart 1 shows how a *single* disability is handled rather than total expenses from *all* disabilities. Two methods are used to define the twelve-month benefit period. Eleven plans use the calendar year. And one plan uses a "benefit year" which starts on the day of the first charge included in a fulfilled deductible.

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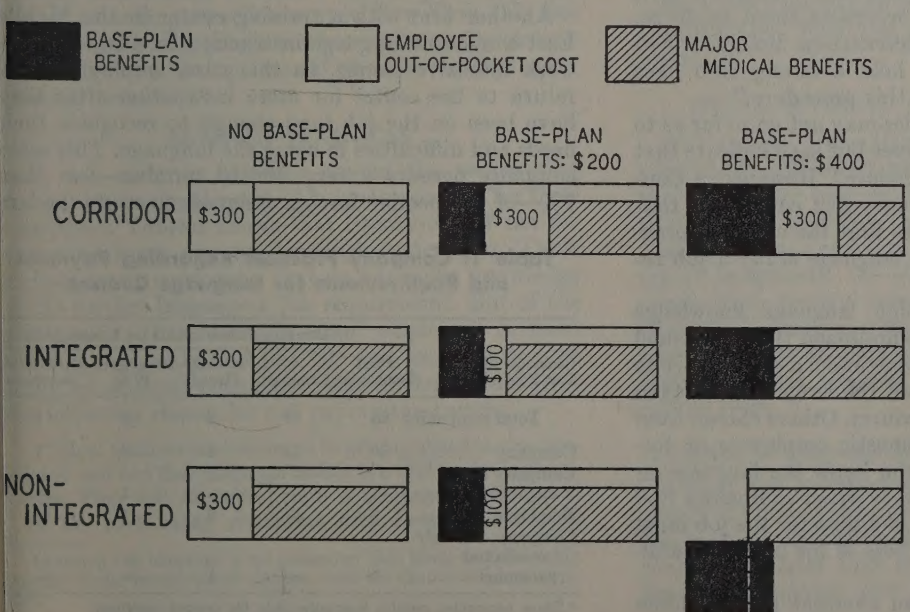
[1] In all of these plans the benefit period ends if there are no claims for two months.

[2] Although the "medical expense period" is designed primarily to apply separately to each disability, three of the plans have a provision for handling more than one disability at a time if the second disability occurs while benefits are still being paid for the first disability. In such instances, the expenses of the second disability are combined with the expenses of the first, and the usual provisions apply to the total expenses. This arrangement is designed to preclude the knotty problem of determining whether two disabilities occurring simultaneously are unrelated.

Chart 2: The Three Types of Deductibles

Applied to a medical bill of $1,000, assuming a specified dollar deductible of $300 and coinsurance of 25%-75%.



THE DEDUCTIBLE

The deductible is the key characteristic of major medical insurance for it determines whether or not an employee's medical expenses are "major" and therefore fall within the provisions of the major medical plan. The deductible is the amount above which medical expenses must rise before the major medical plan begins to reimburse the employee for all or part of his further expenses. Thus, if a plan has a $500 deductible for each disability, then by definition any disability which does not result in expenses over $500 is not a catastrophic or major disability. Or, if a plan has a $500 deductible for each calendar year, then yearly medical expenses of less than $500 are not considered catastrophic or major medical expenses.

Historically, major medical insurance has been designed primarily to cover medical expenses over and above the benefits provided by base plans. It is the relationship of the base plan to the major medical plan that determines into which of the following three categories a deductible falls:

1. Nonintegrated Deductible

The nonintegrated deductible merely specifies a dollar amount (either a flat sum or some per cent of the employee's wage) and does not specifically tie the deductible to the base plan. However, the dollar amount is set high enough so that generally the major medical plan begins to pay benefits only when the basic plan benefits are exhausted. Only two of the plans studied here have nonintegrated deductibles: in one plan it is $500 for each disability; and in the other, $500 for each "benefit year."

The objection to the nonintegrated deductible is obvious. In some cases, there will be duplication of benefits from the base plan and the major medical plan (as shown in Chart 2). To avoid this, most plans specifically design a deductible to prevent duplication, either by "integrating" or by using a "corridor."

2. Integrated Deductible

An integrated deductible is defined as the *greater of*: (1) the base plan benefits; or (2) a specified dollar amount (either a flat sum

(Continued on page 331)

Language Learning for Foreign-Service Personnel

GOING ON foreign assignment for a company isn't all glamour and excitement. Often there are a lot of mental gymnastics involved. Consider, for example, the employee assigned to Central or South Africa who must learn not only about the people, their mores and politics, but also how to converse with them in Swahili or Afrikaans. Or take the person who should speak Hindi and Singhalese well enough to explain the operation of his company's mechanized products to Indian and Ceylonese workers.

On the other hand, because of the nature of his work, the oil firm accountant sent to Venezuela may have no need to use Spanish on the job although he speaks the language fluently. Paradoxically, however, the welder, carpenter and electrician, sent to be crafts group leaders at the same operation, must have a rudimentary knowledge of Spanish. Not only does efficiency demand that these leaders direct and train their crews of native helpers in their own language, but Venezuelan law requires that work orders be in Spanish.

Knowing a foreign language, therefore, may be mandatory for many persons who are assigned to work in foreign countries. Some firms, however, may not *require* their employees to learn the foreign tongue. Instead they *strongly urge* or expect them to do so. One company tells The Conference Board: "You might almost say that we hold a strong club over their heads when we advise this procedure."

Then again, other companies may not go so far as to urge such study upon employees but may indicate that they consider it "a wise procedure." However, a Conference Board survey of twenty-five companies that have foreign operations shows that the common practice of the group is to make language study a job requirement. (See Table 1.)

Firms that consider foreign language knowledge necessary for an overseas job approach their personnel problems in various ways. Some make a great effort to hire people who already speak the language and then train them in company procedures. Others choose from among their experienced domestic employees or foreign-service trainees those who know the language or are willing to learn it. But very often companies find that the ability and training of a man for the job must be the deciding factor regardless of his linguistic ability.

Learning a language for an overseas job is seldom the leisurely semester-by-semester type of study foun in American high schools and colleges. Instead, course may last for as short a period as two weeks. Bu study of the subject in these few weeks is far more in tensive than during comparative periods in othe school curriculums. Some firms, for example, arrang with a well-known school of languages to give a con centrated foreign-language course, consisting of six o seven hours' daily instruction for two weeks. Experi ence has shown that through this kind of intensiv training a student can acquire a rudimentary knowl edge of a language with the vocabulary essential to hi particular job. Further learning comes with use of th new tongue after starting the job.

This same type of intensive study is found at th training or indoctrination centers that some companie have established at the site of their foreign operatio to enable employees to learn about the background customs and native tongue of the country. Oil firm having large numbers of personnel stationed in on area are among companies that have such centers. Fo example, at one oil firm's company-supported schoo in Latin America, the employees are required to tak Spanish instruction eight hours daily, five days a week for a period up to four weeks.

Another firm with a training center in the Middl East condenses language instruction to a two-to-four week intensive course. In this case, employees ma return to the center for more instruction after the have been on the job long enough to recognize thei needs and difficulties in using the language. This sam company permits a very limited number—less tha 1%—of prospective foreign assignees to study the lan

Table 1: Company Practices Regarding Payment and Requirements for Language Courses

Language Study Cost Paid by:	Total Companies	Company Requirements for Language Stud Required	Strongly Urged	Considered Wise	Of No Con sequence
Total companies	25	12	6	6	1
Company	20	12[a]	3	4	1
Company and employee	1	—	—	1	—
Employee	3	—	2	1	—
Company, but only for selected personnel	1	—	1	—	—

[a] Three companies require languages only for certain positions.

guage at company expense before leaving the United States. These exceptional cases are persons whose positions require immediate fluency in the language because they deal closely with foreign government officials. But even personnel of this type must go through the indoctrination center at the job site.

SOME COURSES LESS INTENSIVE

Language study is not always so rigorous. Except in special and unexpected cases of replacement and transfer of foreign personnel, some companies have more leisurely training programs for personnel who desire out-of-country jobs.

"Learning by doing" is the credo of one concern that encourages domestic employees to study languages under a tuition-refund plan. When these employees become proficient enough in a language, they are given foreign correspondence to translate and answer. This stimulates their interest in the subject. And occasionally, such persons may be sent on a foreign field trip prior to permanent foreign assignment. This, too, is a stimulant to language learning. This same company is at present training some members of its domestic sales force for service in its international division. But because of the need in this case for faster indoctrination, the firm is paying the fee for more intensive language instruction than other employees receive during regular school-term courses under the tuition-aid plan.

Another firm heeds its domestic employees' desire to learn Arabic by supplementing its tuition-aid plan with language instruction given partly on company time by Arabian employees in the domestic organization.[1] Courses are given at the company offices and begin in the late afternoon during working hours, continuing after closing time.

And a banking establishment in New York City has a leisurely training program whereby language instruction is given by bank personnel who also conduct other training courses.

PAYMENT PRACTICES

It is a common practice among the cooperating companies to pay the cost of language courses for their employees. Table 1 shows that twenty-one of the cooperating firms pay for language instruction. These include many companies that do not make knowledge of the foreign language a job requirement. But of the six concerns that "strongly urge" employees to learn the language, only half pay the cost and one does so "only for selected personnel." One of these firms gives the following reason for not paying the tuition:

> "Most trainees are interested in getting ahead in the company and feel that language ability is a tool to their advantage. They will, therefore, study a language on their own. In the past, many employees used their GI education benefits for this purpose. We believe, too, that the employee will become so interested in learning the language when he arrives in the country of assignment that he will do so on his own and be more economical of his time and effort than he would be if the company were paying for it—particularly if the lessons were given in the United States."

[1] Learning the language is no guarantee that these employees can transfer to the international division with the chance of going overseas.

Table 2: Locale of Language Lessons[1]

Place of Instruction	No. of Companies
Total	25
Either in the United States, in country of assignment—or in both places	8
In the United States	5
In the country of assignment	5[a]
Choice not designated	7

[1] This classification is by company preference regardless of whether companies pay for the course or whether the course is mandatory.
[a] One company in this group does not pay for language study. Two companies permit instruction in this country only in exceptional cases.

This company has thirty-two foreign operations and in twenty-three of them knowledge of a language is considered important. Therefore, the trainee in the United States is made to realize the importance of learning a language.

Another company that pays none of the cost simply says: "Although some of our people are called upon to speak German, French, Italian or Spanish, the company does not pay in any way for their acquiring this schooling."

In contrast to this sentiment (as Table 1 also indicates) is a firm that does not regard language learning essential for the job but which is willing, nevertheless, to pay the cost of language study if an individual is interested.

Only one cooperating company shares the cost with the employee. This firm pays 50% of the tuition expense.

OTHER DIFFERING COMPANY PRACTICES

Just as they differ about making language learning mandatory and about paying for courses, so, too, do the twenty-five cooperating firms have differing practices on: (1) whether the instruction will be in this country before departure or after arrival in the country of assignment (as already indicated, some companies have foreign indoctrination centers); (2) the amount of money and time expended on a course; (3) whether wives of employees also will be offered free instruction; (4) whether private or group instruction will be given.

The Locale for Language Study

Ten of the twenty-five cooperating companies are evenly divided in their preferences as to where the language study should be given. As Table 2 shows, five companies prefer that instruction be in the land of foreign assignment and five prefer it to be in this

country. One firm in the latter group says that it is sometimes difficult to obtain a good tutor in a foreign country if employees are stationed in nonmetropolitan centers. Some of those that prefer overseas instruction are ardent boosters of the benefits of learning a language in its native environment. One cooperator explains: "We believe a foreign language can be learned much better in the country of assignment."

Another states:

> "It is our belief that an intensive course taken upon arrival in the foreign country is of more value because the employee begins using his new knowledge at once and thus further intensifies his learning. There is no in-between period for forgetting."

But what about the other fifteen companies? What is their practice regarding the locale of language study? Eight of these companies permit instruction to be either in this country or in the country of assignment, or in both. The remaining seven companies do not state a preference.

One concern that permits courses in both countries says: "Whenever possible, lessons are taken in the United States and generally are followed up with instruction in the country of assignment."

A firm that prefers language instruction to be in the foreign land and which makes language study mandatory pays an instructor to visit its South American operation once a week to give office employees a two-hour on-the-job course in Spanish. Another company that does not require employees to learn the language, but which nevertheless recommends such study, provides free lessons at its Latin American operation. And a firm which provides up to $100 for language lessons permits study to be either in this country or immediately upon arrival in the foreign country. (See Table 1.)

Other factors that may determine the locale of study are the employee's eagerness to learn the language, his type of assignment, and the amount of time available prior to his departure for a foreign country.

Time and Monetary Limitations

How good is the linguistic ability of employees after this language instruction, whether it is given here or in another country? There seems to be a bit of hemming and hawing among cooperators on this question. Without any adverse reflections on the IQ's or job abilities of their employees, cooperators in this survey admit that some persons just don't have the aptitude or are not interested enough to learn a language. No matter how much formal instruction these people get, they improve very little. And companies find that they may learn the language more rapidly in the course of living in the foreign country than through formal instruction.

Consequently, many cooperators do not continue to pay indefinitely for language lessons. Employees must acquire as much language knowledge as possible i the time provided. After that they can continue learn ing on their own. Table 3 shows monetary and/o time limitations that some concerns place on languag instruction. As the table indicates, limits on time ar more common than limits on the cost of instructio In some cases, of course, the time limitation is th length of the training period given by the particula company.

One firm which does not specify an exact monetar limitation has this statement in its manual of pro cedures pertaining to overseas personnel:

> "The company will reimburse employees for the cost c language study if such study will be deemed advisable an necessary. However, before approvals are given for languag study, an estimate of the total cost must be submitted fo approval."

A firm which pays 50% of the tuition cost for twelv weeks does not stipulate how concentrated the lesson may be during that period. Nor does a company whic offers six months of language instruction explain ho many lessons are permitted in that time.

Some firms, however, have no limitations on lan guage study. For example, one company explains tha its monetary outlay depends upon four factors: (1 the type of job a person is to fill—whether it require much or little knowledge of the language; (2) th length of time available for language training befor the person begins his job; (3) his prior knowledge, any, of the language; and (4) his ability to learn.

Another firm explains: "We pay for as many lesson as are necessary to prepare the man to handle his jo requirements."

Lessons for Dependents

It can be a big help to a married employee if his wif also studies the language because they can practic the new tongue together. But few of the participatin companies are willing to pay the wife's bill. The tabu lation that appears at the top of the next column show cooperators' practices in this matter:

Table 3: Limitations on Paid Language Instruction

Type of Limitation		No. of Compani
Total		22
Time limit:		8
Depends on length of training period	5	
Six months	1	
Varies with employee's position	1	
Once weekly for a two-hour on-the-job session, duration not specified	1	
Monetary limit:		2
$100	1	
Sum not specified	1	
Monetary and time limit:		1
50% of cost for 12 weeks	1	
No limitation, or practice not specified		11

Does company pay for a wife's lessons?	*No. of Companies*
No	17
Yes	4
Yes, in part	1
Practice not indicated	3
Total	25

The firm shown as paying part of the wife's expenses ets a limit of $50. This same company is listed in Table 3 as paying up to $100 for the employee's lessons. One of the firms listed in the "yes" group pays for a period not to exceed six months. This same restriction applies to the husband, as shown in Table 3. One of the other companies that pays for wives' tuition nakes available to them the company-paid instructor who gives lessons in the country of assignment. And n some cases when the company won't pay for them, wives take lessons from the company instructors at heir own expense.

One company that does not offer tuition aid to wives ays:

"The new arrivals are always taken in tow by Americans already on the scene and it is our belief that the wives, in particular, get quite a bit of help from wives of other employees or from their own husbands, because an employee is usually in the foreign country up to three years before he marries."

Private Versus Group Instruction

Whether a person is tutored privately or has group instruction seems to depend upon individual circumstances except in cases where companies have orientation training periods. Although some companies say they prefer that not more than three or four persons be in a class, only one mentions opposition to group instruction per se. This is a company that does not require its employees to learn the language but is willing to pay for the cost, without specifying a monetary or time limitation. It recommends that a private tutor give the lessons because it does not believe that group instruction brings as good results.

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How Much Should Employees Be Told?

How frank should management be with employees? Very frank, according to the Consolidated Edison Company of New York. It believes in keeping its employees informed. In so doing, it feels the employees ecome more interested in their jobs and hence better workers.

Recently an inquiring reporter from Con Ed's employee magazine, "Around the System," interviewed he head of the company's placement bureau. The interview was written up as a three-page feature in "Around the System." This article illustrates the company's interest in communications and its willingness o give frank answers to the questions of employees. Excerpts from the article follow.

Q. Where does Con Edison find the very best new mployees?

A. They're the sons and daughters, the nieces and ephews, friends and neighbors of people already on he Con Edison payroll. That's why we report job pportunities in "Around the System" and invite company folks to make recommendations.

Q. Do you hire people for supervisory jobs?

A. No, our new people start at the bottom of the ladder and are trained, by experienced supervisors, ow to do the Edison job the Edison way. One of the hings that makes Con Edison a good place to work is ur policy that "promotions are made from within." In this way, everyone has a chance to get ahead.

Q. Are there many opportunities for advancement these days?

A. Indeed there are. More than ever before in the company's entire history.

Q. Why so many at this time?

A. Because in the next fifteen years, Con Edison will lose more than half of its personnel through retirement. Plenty of new young people will be needed to grow into the responsible jobs vacated by these experienced workers. The average age of today's employees is forty-seven years, and a large proportion of them are much older. The average length of service is almost twenty-five years. Con Edison must soon become a company of younger people—and they will have plenty of opportunity to prove their ability.

Q. How are the hiring rates for college graduates?

A. Most attractive, we think. Starting salary is $5,000 a year, with a $260 raise every six months for the first two years. So these graduates reach the $6,000 level in two years. Subsequent progress is on a merit basis.

Q. Do young people realize the importance to them of Con Edison's pension system?

A. Probably most of them don't. Retirement seems so far away when you're in your twenties. But by the time these young people are eligible for a twenty-five-year emblem, it becomes a big factor in their future plans.

Time Off To Vote

NOVEMBER 6, this year, is Election Day. And since it is a Presidential election year, a large turnout of voters is anticipated. A sizable segment of those voting will be employees who will take time off from work, with no loss in pay, to cast their ballots. For some employees, company practices will permit them anywhere from one hour to a full day off with pay. Or in the absence of formal company practice, others will be permitted by state law to take a few hours off from work without loss of pay.

Almost half the companies in a recent Conference Board survey allow their hourly employees paid time off on election day—10% by declaring it a paid holiday, the remainder by allowing a specified number of hours off. For salaried workers, company practices are a little more liberal: three out of five give time off either in the form of a full paid holiday or hours off during the day. (See Table 1.)

When hours off during the day are granted, company practices generally follow state voting laws. This is reflected in the majority practice of allowing two hours off, and in company statements which specify that the time off allowed will be that required by law.

STATE LAWS COVERING VOTING TIME

Twenty-seven states have laws designed to assure employees sufficient time to vote. In general, the laws stipulate the types of employees covered by the provision, whether the employees must request such time off, and whether the employer may designate when the time off is to be taken. Most important, the law specifies the amount of time off allowed and whether the employee loses pay for such time. (Table 2 gives key provisions of the various state laws.)

Table 1: Paid Time Off on Election Day

	Hourly Employees				Salaried Employees			
Practice	Total	%	Mfg.	Non-mfg.	Total	%	Mfg.	Non-mfg.
Total companies	259	100.0	235	24	275	100.0	232	43
Observe day as paid holiday	26	10.0	22	4	35	12.7	21	14
Grant time off with pay	97	37.5	83	14	127	46.2	106	21
1 hour	8	3.1	4	4	9	3.3	5	4
2 hours	49	18.9	44	5	50	18.2	44	6
4 hours	—	—	—	—	11	4.0	9	2
"Necessary" time	6	2.3	3	3	11	4.0	6	5
Per state law requirement	17	6.6	16	1	13	4.7	13	—
If requested	5	1.9	4	1	7	2.5	5	2
No data on amount of time	12	4.6	12	—	26	9.5	24	2
No paid time off granted	136	52.5	130	6	113	41.1	105	8

In four of the states with laws covering voting time the statute does not specify the actual amount of time off allowed. In Minnesota, Ohio and Texas, for example, the statutes merely indicate that the employee is to be allowed reasonable time off. Arizona's law, on the other hand, requires shift changes or shutdowns to be scheduled for 4:00 P.M. so that employees may vote. The remaining twenty-three states do stipulate the actual time off allowed. And, as already indicated, in eleven states it is two hours. None of the states grant more than four hours.

While twenty-seven states specify that the employee is to have time off, only two states, Alabama and Wisconsin specifically permit the employer to deduct wages for this lost time. In two other states, Kentucky and Illinois, the provisions requiring pay for voting time have been held unconstitutional.

The laws of eight states give no positive indication as to whether pay deductions are permitted or forbidden. And five of these states make no mention of pay at all. Two others use the term "no penalty" but there is nothing to indicate that this phrase has been construed to require pay for the time. One other state, Maryland, enjoins the employer from "threatening to reduce salaries or wages," but whether "reduction" of wages is the same as "deduction" from wages has not been officially interpreted.

In the remaining fifteen states, pay deductions for the time off permitted by law are clearly forbidden. In at least four of these states, Supreme Court decisions have upheld the constitutionality of these laws. In two states, Colorado and Utah, the provisions barring pay deductions exclude hourly employees.

Lest these laws be construed as automatically granting an employee a two-to-four-hour paid holiday, some states have included certain restrictions on voting time privileges. Sixteen states for example require the employee to request the time off. And five states stipulate that time off is to be granted only if the employee has insufficient time to vote outside working hours.

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Table 2: Summary of State Laws Covering Time Off To Vote

(√ indicates provision included in current state statute)

State	Has Law Covering Time Off for Employees To Vote	Maximum Time Off	Pay Deductions Forbidden	Employee Must Request Time Off	Employer Designates Time-Off Hours	Remarks and Interpretations
Alabama	Yes	2 hours	Deductions permitted	—	√	Law covers only those persons entitled to vote "in counties with populations between 75,000 and 130,000." Only three counties in Alabama fall in this category: Calhoun, Etowah, and Tuscaloosa. The industrial cities of Birmingham, Mobile, and Montgomery are outside the scope of the law as they are in counties with populations that exceed 130,000.
Arizona	Yes	2 hours	√	√	√	
Arkansas	Yes	(see remarks)	Not specified	Not specified	√	Law specifies: "All mills, mines, shops and factories in the State of Arkansas shall suspend work on the day of each general election, or change the working force of employees not later than 4:00 P.M. in order that their employees may exercise the right of franchise."
California	Yes	4 hours	√	√	Not specified	Employee may take time off either at beginning or end of shift to enable him to have 4 hours to vote. Two hours is maximum time for which he loses no pay. Does not apply if employee has 4 hours to vote outside working hours.
Colorado	Yes	2 hours	√ (see remarks)	√	√	Law specifies no deduction from "usual salary or wages (except when such employee is employed and paid by the hour)."
Connecticut	No	—	—	—	—	
Delaware	No	—	—	—	—	
Florida	No	—	—	—	—	
Georgia	No	—	—	—	—	
Idaho	No	—	—	—	—	
Illinois	Yes	2 hours	(see remarks)	√	√	Law allows employee 2 hours off from work "without penalty"—but provision forbidding pay deduction for such time has been held unconstitutional by Illinois Supreme Court on two occasions.
Indiana	Yes	4 hours (see remarks)	Not specified	Not specified	Not specified	Law covers employees of "school corporations, manufacturing, mining, mechanical, or mercantile establishment." Specifies "no person entitled to vote . . . shall be employed . . . during the period of four hours after the opening of any election. . . . Except as to works of necessity . . . every employee shall be given some period of four hours between the opening and closing of the polls."
Iowa	Yes	3 hours	√	√	√	Employee may take such time off (with no pay deduction) as is required to give him 3 consecutive hours off between opening and closing of polls. Does not apply if employee has 3 hours to vote outside working hours.
Kansas	Yes	2 hours	√	√	√	
Kentucky	Yes	4 hours	(see remarks)	√	√	Provision of law forbidding pay deductions has been declared unconstitutional by Kentucky State Court.
Louisiana	No	—	—	—	—	
Maine	No	—	—	—	—	
Maryland	Yes	4 hours	(see remarks)	Not specified	√	Law says employer shall not threaten to discharge or reduce salaries or wages of an employee who exercises right to vote. Attorney General has stated informally that the law "apparently forbids" pay deductions.
Massachusetts	Yes	2 hours	Not specified	√	Not specified	Law specifies: "No [employer] shall employ . . . any person entitled to vote . . . during the period of two hours after the opening of the polls. . . ."
Michigan	No	—	—	—	—	
Minnesota	Yes	Not specified (see remarks)	√ (see remarks)	Not specified	Not specified	Law specifies employee "shall be permitted to absent himself . . . during the forenoon of each election day, without penalty or deduction from salary or wages. . . ." A Minnesota District Court ruled that employees "are entitled to compensation . . . but only for such period of time during said forenoon that they reasonably and necessarily need for said purpose."

Table 2: Summary of State Laws Covering Time Off To Vote—Continued

State	Has Law Covering Time Off for Employees To Vote	Maximum Time Off	Pay Deductions Forbidden	Employee Must Request Time Off	Employer Designates Time-Off Hours	Remarks and Interpretations
Missouri	Yes	3 hours	√	√	√	Law says employee "shall be entitled to absent himself" wit out loss of pay for 3 hours between opening and closing of po —if he votes. Does not apply if he has 3 hours to vote outside working hour
Mississippi	No	—	—	—	—	
Montana	No	—	—	—	—	
Nebraska	Yes	2 hours	√	√	√	
Nevada	Yes	3 hours	√	√	√	If employee has insufficient time to vote before or after workir hours, he may take from 1 to 3 hours off with no pay deductio
New Hampshire	No	—	—	—	—	
New Jersey	No	—	—	—	—	
New Mexico	Yes	2 hours	(see remarks)	Not specified	√	Law does not specify there shall be no deduction from wage it says employee "shall not be liable to any penalty."
New York	Yes	2 hours	√	√	√	Law says employee is "entitled" to two hours off without loss pay "provided, however, that this section shall not apply . . on the day of a primary election if there be two successive hour while the polls of such election are open, in which he is not the service of an employer."
North Carolina	No	—	—	—	—	
North Dakota	No	—	—	—	—	
Ohio	Yes	(see remarks)	(see remarks)	Not specified	Not specified	Present statute permits employee reasonable amount of tin off to vote without threat of discharge.
Oklahoma	Yes	2 hours or more	Not specified	Not specified	√	Law specifies: "Every [employer] . . . shall grant each of said en ployees two hours of time during the period . . . and if such en ployee be . . . at such distance from the voting place that mo than two hours are required in which to attend such election then he shall be allowed a sufficient time in which to cast his ballot
Oregon	No	—	—	—	—	
Pennsylvania	No	—	—	—	—	
Rhode Island	No	—	—	—	—	
South Carolina	No	—	—	—	—	
South Dakota	Yes	2 hours	√	Not specified	√	Applies if employee does not have 2 hours off outside workir hours.
Tennessee	Yes	3 hours	√	√	√	Time off only if employee does not have 3 hours to vote outsid working hours.
Texas	Yes	(see remarks)	√	Not specified	Not specified	Law specifies: "Whoever refuses to an employee . . . the privile of attending the polls, or subjects such employee to . . . a dedu tion of wages . . . shall be fined. . . ." Official Attorney General opinion holds "the employee is entitled to absent himself fro his job for a reasonable time, depending on local conditions
Utah	Yes	2 hours	√ (see remarks)	√	√	Law says employee is entitled to two hours off to vote withou loss of pay "except when such employee is employed and pai by the hour."
Vermont	No	—	—	—	—	
Virginia	No	—	—	—	—	
Washington	No	—	—	—	—	
West Virginia	Yes	3 hours (see remarks)	√	√	Not specified	Law permits 3 hours off for voting in primary elections; fo general elections, law permits 3 hours "or more if necessary without loss of pay.
Wisconsin	Yes	3 hours	Deductions permitted	√	√	Law specifies: "No penalty, other than a deduction for tim lost, shall be imposed on [employee] by his employer."
Wyoming	Yes	1 hour	Not specified	Not specified	√	Law permits one hour off "other than meal hours."

The What, Where, When and Why of Grievances

GRIEVANCE and arbitration analysis is a scientific inquiry into the causes of grievances. It is used by a great many companies and by a number of large unions. Its primary purpose is to answer four questions:

1. What are the grievances about? To get this information, grievances are analyzed to determine the section of the contract under which they arise. Once troublesome contract clauses are pinpointed, management and union officials, during negotiations, together attempt to rewrite the clauses so as to eliminate ambiguities. They also use the information on trouble spots in the contract to determine the content of training courses for supervisors and shop stewards. The greatest stress, of course, is placed on those sections that have caused the greatest number of grievances.

2. Where do grievances arise? Grievance and arbitration analysis often pinpoints trouble spots in a plant or office. Analysis may show, for example, that certain departments have a disproportionate number of grievances. This could indicate the need for supervisory and shop steward training in those departments. Or it may reveal personality conflicts between a supervisor and a shop steward that require the joint efforts of management and the union to solve. In a few cases, it may indicate there has been an effort by union officials to "get" a particular supervisor.

3. When do grievances arise and when are they settled? An analysis of when grievances were initiated indicates definite patterns. For instance, the number of grievances may double or triple just prior to the expiration of a contract. On the other hand, during the period of good feeling around vacation time or after an amicable contract is signed, grievances are likely to fall off. Then during the grouchy winter months, they are apt to rise again.

Determining the step in the grievance procedure at which grievances are settled often tells a great deal about an organization. If a majority of grievances are settled at the first step, it is generally assumed that the foremen and stewards have been trained to accept responsibility and make decisions. But if a large proportion of grievances go to arbitration, it often indicates that passing the buck is the rule.

4. Why do grievances arise? Grievance and arbitration statistics mean little unless the underlying reasons for grievances are laid bare. This is the most basic purpose of grievance and arbitration analysis.

Once the "why" of a grievance is found, a course of action may become apparent. For example, grievances concerning incentives may be frequent because of a complex and difficult-to-understand incentive system; or the trouble may have arisen because an inadequate explanation of the incentive system was given to the workers; in another case, loose standards may have created cinch jobs. Or when the grievances are not of one type but occur frequently in a particular department, the underlying cause may be attributed, in one instance, to poor supervisory selection, in another to nepotism, and in yet another to poor training.

In each case, analysis reveals both the problem and the possible courses of action required to remedy it.

Who's Right vs. What's Right

The approaches to grievance analysis listed above are universally agreed upon. To this list, however,

Table 1: Number of Companies Making Grievance Analysis, by Size of Company

		No. of Employees			
	Total	1-249	250-999	1,000-4,999	Over 5,000
Make grievance analysis	97	2	13	37	45
Do not make grievance analysis	105	21	31	28	25
No answer	12	2	3	2	5
Total	214	25	47	67	75

Table 2: Number of Companies Making Arbitration Analysis, by Size of Company

		No. of Employees			
	Total	1-249	250-999	1,000-4,999	Over 5,000
Make arbitration analysis	62	2	9	16	35
Do not make arbitration analysis	68	5	13	27	23
No answer	84	19	25	24	16
Total	214	26	47	67	74

some management and union officials would add a fifth point that needs to be determined: they would make up a box score of the number of grievances and arbitrations settled in management's favor and the number settled in the union's favor. Others decry such an approach. They say it creates false criteria for management and union officials alike. The underlying motif of grievance and arbitration analysis, these critics say, is not counting noses to determine *who's* right; rather its ultimate goal is the joint determination of *what's* right.

Who Makes Grievance and Arbitration Analysis

Not all industrial relations executives and union officials use grievance and arbitration analysis. As indicated in Table 1, this method is generally used by larger firms. Of seventy-five firms with 5,000 or more employees, seventy use grievance analysis; while of twenty-three firms with less than 250 employees, only two use grievance analysis. However, some of thes smaller firms point out that they do not use a forma procedure to analyze their grievances because the have so few during a year. They can make the neces sary analysis in their heads. In short, the bigger th firm the greater the possibility of a large number c grievances and therefore the greater importance c grievance analysis in preparing for bargaining.

The picture is much the same in the case of arbi tration analysis, as can be seen in Table 2. The ma jority of larger firms make such analyses. Amon smaller firms, a very high proportion do not. Thei reason is obvious; many say that they haven't had a arbitration case in years.

Unions likewise make use of grievance and arbitra tion analysis. Among those that do so are the Ma chinists, the Steelworkers, the Textile Workers an the Building Service Employees International Unio (all AFL-CIO).

Example A—A Running Chronological Record of Grievances

Department	*Division or Group*	*Nature of Grievance*	*Union Position*	*Management Position*	*Disposition of Grievance*	*Level at Which Heard*
Accounting	Revenue Div.	Violation of Article XI, relief periods, by refusing to allow fifteen-minute relief period during three-hour period of evening overtime work on January 22, 1956. (Prior to this date it was customary for revenue employees to take a fifteen-minute relief period during evening overtime work of three hours' duration.)	Where evening overtime worked in excess of the regular day is the equivalent of as much as a minimum session of three hours, the time should be given the same treatment as a separate session and a fifteen-minute relief period should be allowed. Where sessions of overtime are worked on the sixth day, relief periods are allowed. No difference exists where overtime worked is in excess of the regular day, when such overtime is in the amount of three hours, equivalent to a minimum session; and where the overtime is worked on a sixth day.	The general practice is not to allow relief periods during evening hours of overtime worked and the agreement makes no provision for allowing such relief periods. Any change in the provisions of the agreement would be a matter of negotiation and such a change cannot be made locally. The agreement does not provide for relief periods during four-hour periods of overtime work on Saturday (sixth day). However, breaks are permitted as a courtesy to employees.	Answer not satisfactory. Appealed to area level.	Div.

Example B—A Running Chronological Record of Grievances

Station	*Grievant*	*Location and/or Classif.*	*Subject*	*1955 Griev. Date*	*Disposition*									
					1st Step		*2nd Step*		*3rd Step*		*4-Man Board*		*Arbitration*	
					Date	*Ans.*	*Date*	*Ans.*	*Date*	*Ans.*	*Date*	*Ans.*	*Date*	*Ans.*
AXY	Cane, A.	Clnr Acft	Overtime—sick on holiday	1/9	1/14	D	1/21	D	1/27	D	2/5	D	5/6	D
	Dunn, B.	Cbn Svc	AOI reprimand—holiday sick	1/9	1/14	D	1/23	D	2/13	D	3/3	G		
	Baker, C.	Gr Svc	Overtime allocation	1/13	1/16	D	1/21	D	1/27	D	2/5	G		
	Able, D.	L. Maint	Straight time pay—holiday sick	1/15	1/21	D	1/23	D	1/30	G				

D - Denied G - Granted

Example C—A "What" Type of Analysis: Annual Report of Grievances by Cause

	June 1953 to December 1953	1954	1955	1956 to June 30	Total
Ambiguous	—	—	2	3	5
Bargaining unit	—	4	7	3	14
Classification	10	66	71	125	272
Contract violation	5	8	1	—	14
Counseling program	2	3	—	—	5
Demotion	—	4	12	8	24
Discharge	5	5	36	15	61
Discipline	11	88	205	84	388
Discrimination	5	44	50	22	121
Foreman working	23	41	32	24	120
Interference and coercion	—	1	16	5	22
Job evaluation	5	26	47	57	135
Leave of absence	1	—	1	—	2
Vacation and sick leave pay	—	—	1	—	1
Working conditions	—	14	23	—	37
Work assignment	—	—	—	1	1
Total	152[a]	765[a]	1338[a]	990[a]	3245[a]

[a] Totals do not add because complete report has not been reproduced here.

Example D—A "What" Type of Analysis: Monthly Report of Grievances by Cause

	July		August		September		October		November		December	
Character	No.	Per Cent	No.	Per Cent	No.	Per Cent	No.	Per Cent	No.	Per Cent	No.	Per Cent
Advancement and reclassification	19	15.8	27	18.4	22	29.7	26	35.6	24	13.5	67	32.4
Rate increase	1	0.8	1	0.7	—	—	—	—	3	1.7	4	1.9
Transfers	8	6.7	—	—	3	4.1	2	2.7	3	1.7	2	1.0
Layoffs	30	25.0	33	22.4	31	41.9	11	15.1	11	6.2	20	9.7
Hours	53	44.2	59	40.1	15	20.3	28	38.4	95	53.6	11	5.3
Working conditions	3	2.5	18	12.2	—	—	4	5.5	—	—	86	41.5
Miscellaneous	2	1.7	2	1.4	1	1.3	—	—	1	0.6	—	—
Review (grading or comment)	—	—	2	1.4	—	—	—	—	31	17.5	9	4.3
Total received during month	120	100.0	147	100.0	74	100.0	73	100.0	177	100.0	207	100.0
No. pending beginning of month	242		302		367		454		609		513	
Total	362		449		441		527		786		720	
Disposition												
Company basis	127	87.6	185	89.4	107	77.0	89	55.6	154	46.4	89	80.2
Union basis	3	2.1	3	1.4	7	5.0	6	3.8	3	0.9	4	3.6
Compromised—company basis	2	1.4	8	3.9	15	10.8	5	3.1	117	35.2	2	1.8
Compromised—union basis	13	8.9	11	5.3	10	7.2	60	37.5	58	17.5	16	14.4
Total settled	145	100.0	207	100.0	139	100.0	160	100.0	332	100.0	111	100.0
Total disposed during month	145		207		139		160		332		111	
No. pending end of month	217		242		302		367		454		609	
Informal complaints—oral	137		124		115		119		118		78	
Informal complaints—written	9		13		23		27		39		31	

Preliminaries to Analysis

Before analyzing the what, where, when and why of grievances, many executives set down, in brief form, a chronological record of each grievance as it goes through the various steps to its ultimate disposition. This running record is sometimes set down in detailed form as in the case of example "A." The record of each grievance shows the department in which it occurred, the union's position, management's position and the disposition of the grievance. On the other hand, the running record, as shown in example "B," may merely list the grievant, his location, the subject of the grievance, and its disposition.

One of the advantages of these types of grievance record forms, according to those who use them, is that the company can continuously add to the original material and bring the record up to date. Also, it is from this complete record that the company can make its own grievance analysis at a later date. But whether or not formal running records are kept, in order to answer any or all of the four questions—what, when, where or why—the analysis must proceed from the basic data of grievances.

The "What" Approach

The question most frequently prompting grievance analysis is: "What are the grievances about?" One western company, example "C," has used this "what"

approach to break down over 3,000 grievances in one of its plants. Determining the cause of the grievance is important, the company believes, in order "to contradict union claims that there is much dissatisfaction over certain issues, such as poor working conditions."

Another western company analyzes the causes of grievances on a monthly percentage basis, as shown in example "D." It breaks grievances down on the basis of their character—such as grievances having to do with advancement, reclassification, layoff, and company regulations. The form shows the percentage settled each month; the number settled on company basis, union basis, or compromise; the total number settled during each month; and the total number disposed of during the month. Also useful in giving the complete picture of the workers' grievances is the bottom line, on which the company keeps a record of informal complaints, either oral or written.

Example E—A "What" Type of Analysis: Summary of Grievances by Contract Articles Cited or Involved

Article Number and Title		Number of Times Cited
XVI	Overtime	25
XI	Transfers	15
XXIV	Management functions	14
XIII	Rates of pay	14
XXVII	Departmental repairmen and utility men	7
XII	Schedule of hours	5
XXIII	Leaves of absence	3
VIII	No strikes or lockouts	2
XXII	Vacations	2
XXXI	Safety	2
XXXVI	Shops progress on plan	2
III	Union security	1
XVII	Meal tickets	1
XIX	Call-in pay	1
XX	Holiday pay	1
XXVI	Restrictions on work of supervisors	1
XXX	Funeral leave	1
XXXII	Limitations	1

An eastern manufacturing company uses a simpl form, as shown in example "E." It consists of a listi of the particular contract articles cited in grievan disputes and the number of times each article w mentioned, starting with the most frequently cite The company can then concentrate its attention bargaining on those clauses that have caused the mo difficulty.

The "Where" Approach

The plant, department or division in which t grievance occurred becomes the focal point in t "where" approach to grievance analysis. It is obvio in example "F" that grievances occurred most fr quently in the overhead lines department and t underground lines department.

In example "G," it can be seen that plant A has f more than its share of grievances. Both these exampl seem to indicate that research is needed to determi why the two departments in example "F" and plant in example "G" are trouble spots.

The "When" Approach

When a grievance is filed and *when* it is settled a stressed in the "when" approach. The months ju prior to contract expiration, at the end of July, show

Example G—A "Where" Type of Analysis: Grievance by Plant* and Step at Which Settled

		Total Grievances	1st Step	2nd Step	3rd Step	Arbitrat
Plant A	1954	194	98	59	27	10
	1955	162	80	49	22	11
Plant F	1954	10	4	2	1	3
	1955	7	4	0	2	1
Plant G	1954	21	11	8	0	2
	1955	26	5	12	9	0

* Data for all plants are not reproduced here.

Example F—A "Where" Type of Analysis: Grievances by Department and Step at Which Settled

Department	No. of Employees in Dept.	No. Filed	Settled in Step 1	Step 2	Step 3	Arb.	Position Sustained Company	Union	Compromise	Withdrawn
Bldg. Oper. (CIO)	57	1	1	—	—	—	1	—	—	—
Construction (CIO)	187	3	1	1	—	—	2	—	—	1
Construction Field (CIO)	210	2	—	—	2	—	2	—	—	—
Overhead Lines (AFL)	170	14	5	7	2	—	9	3	1	1
Underground Lines (CIO)	160	7	6	1	—	—	4	3	—	—
Local Federal Union (AFL)	320	2	—	—	1	1	1	—	—	—
Total	1104	29	13	9	5	1	19	6	1	1

Example H—A "When" Type of Analysis: Grievances by Month

Month	Total Filed	Compromise Settlement 3rd Step	Compromise Settlement 4th Step	Granted 3rd Step	Granted 4th Step	Denied 3rd Step	Denied 4th Step	Withdrawn	Returned To Shop	Unsettled 3rd Step	Unsettled 4th Step
January	9	1	1	—	1	4	1	1	—	—	—
February	6	—	2	1	—	1	1	1	—	—	—
March	8	1	—	—	1	1	1	3	1	—	—
April	5	—	—	—	—	—	4	1	—	—	—
May	20	2	5	—	—	6	5	1	1	—	—
June	12	2	2	1	—	1	3	3	—	—	—
July	18	—	2	1	1	6	3	5	—	—	—
August	6	—	2	1	—	—	—	2	—	—	1
September	4	1	—	—	—	1	—	2	—	—	—
October	19	3	1	1	1	3	1	7	—	—	2
November	12	1	1	1	—	2	3	3	—	—	1
December	5	1	—	—	—	2	—	—	—	1	1
Total	124	12	16	6	4	27	22	29	2	1	5
		28		10		49				6	
		22.7%		8.1%		39.5%		23.3%	1.6%	4.8%	

Grievances settled in favor of the company 64.4%
Grievances settled in favor of the union 8.1%
Grievances compromised 22.7%
Grievances unsettled to date 4.8%

Example I—A "When" Type of Analysis: Grievances by Year and Step at Which Settled

	1st Step: Foreman and Committee-man	2nd Step: Manage-ment Shop Committee	3rd Step: Appeal Committee	4th Step: Arbitrator's Decision
1951	56.4%	33.0%	10.3%	0.3%
1952	56.6	33.1	10.2	0.1
1953	58.5	31.8	9.5	0.2
1954	59.9	30.5	9.5	0.1
1955	60.95	31.12	7.88	0.05
(1951-1955)	59.1%	31.6%	9.2%	0.1%

marked increase in grievances in example "H." A mid-western company used the "when" approach (example "I") to demonstrate to the union that the grievance procedures worked effectively during a five-year contract, with most of the grievances solved at the first step. The company was also able to point to another improvement: in the five-year period, the number of grievances going to the final steps had decreased.

The "Why" Approach

The "why" approach does not lend itself to convenient statistical tabulation. Rather it is the result of applying reasoning power to what is gleaned from the "what," "where" and "when" tables, and then following up these leads. It is the product of knowledge, experience and research. Grievance and arbitration analysis may show, for example, that at one plant practically no grievances are settled at the first and second steps. Through a follow-up with the "why" approach, it may be discovered that an autocratic plant manager and an equally autocratic union official have taken over the complete grievance procedure to the consternation of supervisors and shop stewards. At another plant, a "when" analysis may show that an extremely high percentage of grievances are going to arbitration. Why? Because a union election is coming up and no union official wants to stick his neck out.

As has already been indicated, it is the "why" part of grievance and arbitration analysis that supplies the real meaning.

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Management Bookshelf

The Foreman on the Assembly Line—This study of the role of the mass production foreman as "management's front line representative" is designed as a sequel to the authors' previous study of "The Man on the Assembly Line." In an actual—but unidentified—automobile assembly plant, the authors have surveyed such facets of the foreman's job as the average time spent in various operations; his own concept of his job; his relationship to management and to the workers under him, and his impact upon production and quality of output. All fifty-five foremen in the plant were interviewed and freely discussed their jobs. The text is highly flavored by their colorful language and pertinent observations. *By Charles R. Walker, Robert H. Guest and Arthur N. Turner, Harvard University Press, Cambridge, Massachusetts, 1956, 197 pp. $4.*

Significant Labor Statistics

Item	Unit	1956 July	June	May	April	March	Feb.	Jan.	Year Ago	Percentage C… Latest Month over Previous Month
Consumer Price Indexes										
All items	1953 = 100	102.1	101.7	101.2	101.0	101.1	101.1	101.1	100.3	+0.4
Food	1953 = 100	100.1	99.2	97.7	97.0	97.0	97.3	97.5	98.6	+0.9
Housing	1953 = 100	102.8	102.7	102.6	102.6	102.6	102.4	102.2	101.2	+0.1
Apparel	1953 = 100	100.0	99.9	99.7	99.6	99.4	99.3	99.3	98.9	+0.1
Transportation	1953 = 100	104.0	103.9	104.1	104.4	105.1	105.3	105.8	100.5	+0.1
Sundries	1953 = 100	104.2	103.9	103.8	103.7	103.7	103.4	103.1	102.1	+0.3
Purchasing value of dollar	1953 dollars	97.9	98.3	98.8	99.0	98.9	98.9	98.9	99.7	−0.4
(*BLS*) All items	1947-1949 = 100	117.0	116.2	115.4	114.9	114.7	114.6	114.6	114.7	+0.7
Employment Status [1]										
Civilian labor force	thousands	69,489	69,430	67,846	66,555	65,912	65,491	65,775	67,465	+0.1
Employed	thousands	66,655	66,503	65,238	63,990	63,078	62,577	62,891	64,995	+0.2
Agriculture	thousands	7,700	7,876	7,146	6,387	5,678	5,470	5,635	7,704	−2.2
Nonagricultural industries	thousands	58,955	58,627	58,092	57,603	57,400	57,107	57,256	57,291	+0.6
Unemployed	thousands	2,833	2,927	2,608	2,564	2,834	2,914	2,885	2,471	−3.2
Wage Earners [2, 3]										
Employees in nonagr'l establishm'nts	thousands	*p* 51,017	*r* 51,730	*r* 51,202	50,848	50,499	50,246	49,615	50,074	−1.4
Manufacturing	thousands	*p* 16,319	*r* 16,791	*r* 16,715	16,769	16,764	16,824	16,842	16,477	−2.8
Mining	thousands	*p* 736	*r* 812	791	790	783	780	747	772	−9.4
Construction	thousands	*p* 3,296	*r* 3,260	3,040	2,853	2,669	2,588	2,267	3,032	+1.1
Transportation and public utilities	thousands	*p* 4,127	*r* 4,182	*r* 4,138	4,121	4,106	4,083	4,089	4,113	−1.3
Trade	thousands	*p* 11,062	*r* 11,106	*r* 10,985	10,928	10,931	10,819	10,833	10,707	−0.4
Finance	thousands	*p* 2,349	*r* 2,321	*r* 2,289	2,278	2,265	2,250	2,214	2,263	+1.2
Service	thousands	*p* 6,140	*r* 6,086	*r* 6,041	5,979	5,859	5,818	5,603	5,988	+0.9
Government	thousands	*p* 6,988	*r* 7,172	*r* 7,203	7,130	7,122	7,084	7,020	6,722	−2.6
Production and related workers in mfg. employment										
All manufacturing	thousands	*p* 12,574	*r* 13,077	*r* 13,036	13,114	13,125	13,212	13,272	12,942	−3.8
Durable	thousands	*p* 7,117	*r* 7,601	*r* 7,613	7,674	7,621	7,692	7,758	7,491	−6.4
Nondurable	thousands	*p* 5,457	*r* 5,476	5,423	5,440	5,504	5,520	5,154	5,451	−0.3
Average weekly hours										
All manufacturing	number	*p* 40.1	40.1	40.0	40.3	40.4	40.5	40.0	40.4	0
Durable	number	*p* 40.8	*r* 40.8	40.7	41.1	41.0	41.0	41.2	40.9	0
Nondurable	number	*p* 39.3	*r* 39.2	39.1	39.2	39.6	39.8	39.8	39.8	+0.3
Average hourly earnings										
All manufacturing	dollars	*p* 1.96	*r* 1.97	1.96	1.96	1.95	1.93	1.93	1.89	−0.5
Durable	dollars	*p* 2.07	2.09	2.08	2.08	2.06	2.05	2.00	2.01	−1.0
Nondurable	dollars	*p* 1.81	1.81	1.80	1.79	1.78	1.75	1.75	1.71	0
Average weekly earnings										
All manufacturing	dollars	*p* 78.60	*r* 79.00	78.40	78.99	78.78	78.17	78.36	76.36	−0.5
Durable	dollars	*p* 84.46	*r* 85.27	84.66	85.49	84.46	84.05	84.87	82.21	−0.9
Nondurable	dollars	*p* 71.13	*r* 70.95	70.38	70.17	70.49	69.65	69.65	68.06	+0.3
Straight time hourly earnings (estimated)										
All manufacturing	dollars	*p* 1.91	*r* 1.91	1.91	1.90	1.89	1.87	1.87	1.83	0
Durable	dollars	*p* 2.00	2.02	2.01	2.01	1.99	1.98	1.98	1.94	−1.0
Nondurable	dollars	*p* 1.77	1.77	1.76	1.75	1.74	1.71	1.71	1.67	0
Turnover Rates in Manufacturing [2]										
Separations	per 100 employees	*p* 3.2	3.4	3.7	3.4	3.5	3.6	3.6	2.9	−5.9
Quits	per 100 employees	*p* 1.5	1.6	1.6	1.5	1.4	1.3	1.4	1.0	−6.25
Discharges	per 100 employees	*p* 0.2	0.3	0.3	0.3	0.3	0.3	0.3	0.2	−50.0
Layoffs	per 100 employees	*p* 1.3	1.3	1.6	1.4	1.6	1.8	1.7	1.5	0
Accessions	per 100 employees	*p* 3.3	*r* 4.2	3.3	3.3	3.1	3.1	3.3	3.3	−21.4

[1] Bureau of the Census.
[2] Bureau of Labor Statistics.
[3] The BLS has adjusted its nonfarm employment and hours and earnings series to first quarter 1955 benchmark levels. The benchmark level is the total count of workers covered in each industry, and in this instance the data were received from government social insurance programs. The adjustment affects all figures since Februar… Adjusted figures for months prior to February, 1956 have not been received; th… for these months published above are adjusted to first quarter 1954 benchmar…

p Preliminary. *r* Revised.
na Not available.

Recruiting in the Clouds

The Average Passenger—accustomed to the friendly, efficient service of smartly dressed airline hostesses—may assume that their jobs are lucrative, glamorous, and hard to get. If he were to express this view to an airline executive today, the latter probably would reply about as follows: "In the early days, there was a lot of glamour associated with flying and we had more girls who wanted to be stewardesses or hostesses than we needed. But now the situation is just the reverse. Business is up almost 20% over 1955. We will need 500 new hostesses this year. The beginning salary we offer these girls is extremely modest by today's standards and our qualifications are exacting. Frankly, we know it's not going to be easy to attract enough of the type of girl we are after to fill our quota."

Trans World Airlines recently took twenty-one prospective hostesses for a two-hour flight in one of its Lockheed Constellations from New York over Long Island and Cape Cod, across Massachusetts, and back. A filet mignon luncheon was served enroute. Three of the girls who went on this trip already are on the company's payroll. They have completed their training as hostesses and have been assigned to regular flights. All the others, some of whom have yet to complete their education, have expressed interest in jobs with TWA and have been interviewed. The airline hopes to employ many of them.

The company recounts how the idea of the "recruiting flight" originated and developed. There is an organization known as the Clipped-Wings Club. It is made up of girls who have been TWA hostesses and who have resigned their jobs, usually to start homes of their own. Clipped-Wings Clubs operate in several major U.S. cities served by TWA.

A committee representing the New York club called at the company's executive offices last spring, offering help in recruiting hostesses. The thought that it might be a good plan to give a selected group of girls some taste of what it's like to be an airline hostess was broached. There was immediate agreement that the idea was one that should be developed.

In cooperation with TWA's public relations and industrial relations divisions, the details were worked out. Each member of the Clipped-Wings Club desiring to take part was to invite a friend to accompany her on a complimentary flight in a TWA plane. The industrial relations division was to review the qualifications[1] for new hostesses with club members prior to the flight. The public relations division was to make the necessary arrangements for the flight and to invite a few company executives and representatives of the press to accompany the girls.

Interesting places were pointed out during the flight. Also the prospective hostesses had an opportunity to serve food and to actually carry out the other duties of the job. Details of the plane and its operations were explained, and the girls' questions were answered. TWA reports that the entire group was in high spirits when they returned to New York. Now similar flights from New York and from other cities around the country are being planned.

Other companies may not be able to glamorize their job opportunities to the same extent that the airlines can, but there would seem to be several points worth noting from this experience of Trans World Airlines. Three that might be of special interest to almost any business organization are:

- The willingness—even eagerness in some instances—of former employees to assist their company.
- The value of direct job tryouts and first-hand experience.
- The possibilities of dramatizing a company's employment opportunities in the local press.

—S. H.

[1] These are: unmarried, twenty and one-half to twenty-eight years old, 100 to 135 pounds in weight, sixty-two to sixty-eight inches in height, high school graduate, three years of college or nursing training or three years of business experience, and a pleasing personality.

Texas Beauties Create Contest Problem

Can a beauty from another state beat Texas this year?

For eight years *Pittsburgh People,* employee publication of the Pittsburgh Plate Glass Company, has conducted an annual contest to select from employees a cover girl for a fall issue of the magazine. Readers vote on eight finalists chosen in local competitions. For three successive years, Corpus Christi's Columbia-Southern plant came up with a winner, to the discouragement of more than a hundred other company locations in the country.

To jack up the spirits of non-Corpus Christi operations, a new rule was put into effect last year: a winning location cannot participate in the contest the following year. Corpus Christi was therefore excluded in 1955, but has an entry again this year. The charmer who becomes "Miss Pittsburgh Plate of 1956" will have to meet Texas competition.

Labor Press Highlights

Hoffa Tells Teamsters' Aims

JAMES R. Hoffa, vice-president of the International Brotherhood of Teamsters, is one of the most controversial figures in union circles. He has figured rather prominently in Congressional investigations of abuses of union welfare funds. As head of the Teamsters' Central States Conference, Mr. Hoffa initiated a mutual-aid pact with the International Longshoremen's Association after it was evicted from the old AFL on charges of harboring racketeers. The pact was upset by George Meany's intervention. In terms of power within the Teamsters' union, some reporters claim Mr. Hoffa overshadows President Dave Beck.

Mr. Hoffa recently presented his views on union responsibilities, strikes, organizing, small business and racketeers in a talk before a St. Louis business audience, which has been quoted in the *St. Louis Labor Tribune*.

In contrasting the main functions of business and unions, Mr. Hoffa stated: "It is the right and duty of the businessman to get as great profits as possible. . . . The union has an equal obligation to get the strongest possible contract for its members." A union's responsibility, according to Mr. Hoffa, is to aid both its members and the employer.

Strikes, Mr. Hoffa declared, are a "last economic resort." He stated that it is his policy and practice to make every reasonable effort to settle differences without strikes. In this connection, Mr. Hoffa indicated a dislike for "irresponsible labor leaders or stupid ones."

Mr. Hoffa also pledged to press organization of nonunion workers as vigorously as possible. "You may not like this," he told his business audience, "but it is our responsibility." Teamster organizing activity, according to Mr. Hoffa's statement in the *St. Louis Labor Tribune* is designed to carry out a dual responsibility: "To protect our membership from subscale, subunion practices . . . and to protect employers with whom we have contracts from the employer who can operate cheaply because he has lower labor costs." This, according to Mr. Hoffa, was the rationale behind the twenty-three-state trucking agreement signed last year "whereby wages, and working conditions and fringes have been stabilized."

Small business is a chief concern of the Teamsters, according to Mr. Hoffa, because the majority of the trucking firms the union deals with are small businesses. He denied a statement attributed to him that "small business must go." Rather, said Mr. Hoffa, "the union goes out of its way to aid small business."

Mr. Hoffa's views on racketeers were given in connection with his explanation of the now-defunct working agreement with the International Longshoremen's Association. He sought the ILA's support, said Mr. Hoffa, in order to help implement an organizing campaign among trucking firms in southern and southeastern states. Many of their trucks eventually head for the New York ports. Federal agencies, bistate committees and other groups who have sought to uproot the racketeers from the ILA haven't been able to do anything about the situation, said Mr. Hoffa. "What do they want the Teamsters to do? Become trained investigators? Become judge and jury?"

As a practical matter, said Mr. Hoffa, the Teamsters need the aid of the ILA. "I have stated publicly, and now will do so again, that if at any time we knew of a racketeer and it was in the province of the Teamsters' union to throw him out, we would do so without hesitation. But the Longshoremen are an independent, international union and totally outside our province."

Machinists, Boilermakers Reach Jurisdictional Accord

Four months of negotiation have resulted in a mutual-aid pact between the International Association of Machinists and the International Association of Boilermakers and Blacksmiths, reports *Labor*. The pact signed by A. J. Hayes, president of the Machinists and W. A. Calvin, president of the Boilermakers, recognizes existing jurisdiction, provides for mutual aid in strikes and organizing activity, and sets up machinery for settlement of jurisdictional disputes.

Textile Union Presses Canadian Activity

Intensified organization, guaranteed wages, and a better union educational program are the major concerns of the Canadian locals of the United Textile Workers (formerly AFL), according to the *Textile Challenger*. At a recent convention, the UTWA's Canadian locals pledged themselves: (1) to further organization of the unorganized in order to obtain wage uniformity; (2) to seek guaranteed salaries or employment in order to counter the threat of automation; and (3) to intensify the educational program for union officials and members so that they may better grapple with union problems.

Woodworkers and Pulp Union Talk Merger

Merger of the International Woodworkers of America and the Pulp, Sulphite and Paper Mill Workers is under consideration by representatives of the two unions, reports the *Inter-*

national Woodworker. So far, only exploratory discussions have been held. The Woodworkers (formerly CIO) claim 137,000 members; and the Pulp and Sulphite union (formerly AFL) claims close to 150,000 members. The Pulp and Sulphite union in the past has received several bids to merge with the Paper Makers and the Paperworkers to form one union in the paper industry but has consistently turned them down.

Rail Union To Join AFL-CIO

One of the four traditionally independent railroad brotherhoods, the 96,000-member Brotherhood of Locomotive Firemen and Enginemen, will affiliate with the AFL-CIO. And at the same time the BLFE's 12,000 members in Canada will affiliate with the Canadian Labor Congress, reports *The AFL-CIO News*. The affiliation about to take place was approved almost ten years ago when a 1947 convention resolution authorized merger if the AFL and CIO achieved unity.

Rubber Workers Get SUB

Supplemental unemployment benefit plans have been negotiated by the United Rubber Workers with the B. F. Goodrich Rubber Company and the Goodyear Rubber Company, reports *Labor's Daily*. The agreement with Goodrich calls for company contributions of 3 cents per hour to a fund till maximum funding of $2.5 million is reached. Maximum weekly benefits, including state unemployment compensation, would total 65% of after-tax-straight-time pay. Eligibility, credit accumulation, and other details of the plan are still to be worked out. One stumbling block to be overcome is the State of Ohio ruling barring concurrent private and state UC payments when the private payments are from a general fund. Ohio has only approved supplementation where the SUB plan is based on individually vested accounts.

Barber Unions Reaffiliate

The 6,000-member Barbers and Beauty Culturists Union (formerly CIO) has voted to reaffiliate with the International Union of Barbers, Hairdressers, and Cosmetologists (formerly AFL), reports *The AFL-CIO News*. Complete integration of the two unions, totaling 90,000 members, will occur immediately. William Birthright, formerly president of the AFL union, will become president of the merged organization, while the president of the former CIO union will become an international representative.

Members Okay Political Activity, Claims UAW

The UAW sees clear membership approval of its political activities in the results of a survey among UAW members. It was carried out by three Wayne University professors before and after the 1952 presidential election. Although financed by the UAW, *The United Automobile Worker* reports that this was not announced until after the survey was completed lest it influence the respondents. The main findings of the survey, according to the UAW, are:

UAW members are predominantly Democratic; they want their union to participate in politics; they trust labor recommendations of candidates more than recommendations of other groups; they distrust recommendations of businessmen and newspapers more than those of any other group. *The United Automobile Worker* also says that 78% of the members interviewed favored labor unions working for the election of Adlai Stevenson in 1952; and 55% believe that labor should have a greater voice in government activity concerning labor, while 14% say labor unions should have less say.

Lewis To Unify?

A rumor is spreading that John L. Lewis is considering an invitation to bring his United Mine Workers into the AFL-CIO, reports *The Paper Maker* (International Brotherhood of Paper Makers). Such an event, says *The Paper Maker*, would be a crowning achievement for the merged organization and "would give the AFL-CIO added vigor, stature and strength."

Union Shop Dues Go To Hospital

Employees who on principle refuse to pay union dues will have their dues sent to a hospital under a union shop agreement recently negotiated by the UAW, reports *Labor's Daily*. This relatively unique arrangement solved an impasse in bargaining occasioned by the UAW's insistence on a union shop while the employer wanted to maintain a modified union shop. Under the employer's proposal old employees would have been exempt from membership in the union. Under the compromise solution the old employees will join the union but their dues will be sent to a local hospital.

Harold Stieglitz
Division of Personnel Administration

Management Bookshelf

The Rise of the National Trade Union—A study of the development of the national trade unions during the last half of the nineteenth century. During this period, the national trade unions' legal structure, their relations with one another, and their economic policies became clearly established. In developing his analysis, the author deals at length with the following items: the historical factors leading to the growth of the national trade unions; the passage of power from local to national unions; the increase of national control over strikes; the national unions' jurisdictional controls and their bargaining strategy and policies; and, finally, a reappraisal of various theories of the labor movement. *By Lloyd Ulman, Harvard University Press, Cambridge, Massachusetts, 1955, 639 pp. $9.50.*

Effective Supervision—An explanation of the supervisory job, its duties and responsibilities, as well as the supervisor's place on the management team and his part in the labor contract. The book is primarily designed for the education of newly appointed supervisors or experienced employees with supervisory ambitions. The approach is general, and the language is simple and easy to comprehend. *By Milon Brown, The Macmillan Company, New York, 1956, 259 pp. $4.50*

Consumer Prices Rise Again

CONSUMER PRICES rose 0.4% in July, according to THE CONFERENCE BOARD's United States index. The July index, at 102.1 (1953 = 100), is the highest level on record, with prices 1.8% above July, 1955.

The purchasing power of the July dollar was 97.9 cents (1953 = 100 cents), down 0.4% from June and almost 2 cents under last year's value.

Price advances were recorded in all five major commodity groups, with food prices, as in June, registering the largest increase—0.9%. Other parts of the index showed minor gains. Sundries rose 0.3%, while housing, apparel and transportation were all up 0.1%. The rises in food and apparel prices brought these two indexes, which had lagged behind other goods and services, up to their 1953 level.

The upward trend of food costs during recent months continued, as all components of the food index showed increases over last month. Meat prices rose 1.1%, with pork and beef leading the price climb. Pork was 2.3% higher, although the increase was not as great as in June. Beef rose 1.7% over the month. Poultry and fish were a little more expensive, while the "other meats" index was lower.

The largest monthly advance in food prices occurred in the vegetables and fruits index, which rose 1.9%. Higher prices for vegetables, especially potatoes and onions, were largely responsible for this rise. Vegetables rose 6.1% over the month, with potatoes soaring up 11.9%. However, a 1.4% drop in fresh fruits gave consumers some relief from the generally higher prices.

Higher milk, butter and cheese prices were primarily responsible for the 0.8% increase in the dairy products and eggs index. However, egg prices were down again by 0.3%, the result of large egg production in the unusually cool summer months.

The "other foods at home" index rose 0.6%, as fats and oils and beverages registered gains over June. Heavy rains in Brazil, with the threat of a possible recurrence of frost damage similar to 1954, stiffened coffee prices here. The smallest increase in foods was a 0.2% increase in the cereal and bakery products index. The steadiness of flour and bread kept the index stable.

The 0.1% increase in July was all that was needed to bring the apparel index up to the 1953 level. Prices of men's apparel, which have been increasing since April, rose 0.2%. Clothing materials and services cost 0.3% more than in June. However, as summer sales started, women's clothing fell 0.1%.

Housing costs edged up 0.1%, with small diverse movements in the housing index almost offsetting any price advance. Gains were recorded in rent (0.2%) and in the other household operations index (0.4%). The furnishings and household equipment index as well as the fuel, power and water index dipped 0.1%, with gas and electricity showing no change.

The transportation index rose 0.1% above June, as public transportation rates inched up. Increases in used-car prices were counterbalanced by the slightly lower prices of new cars. Sundries were up 0.3%, with medical care moving ahead 0.5%. And minor gains were also recorded in the other parts of the sundries index.

Prices of all five commodity groups were above their year-ago level, as the total index advanced 1.8%. Transportation costs showed the largest increase since July, 1955; this index was 3.5% higher. Increased public transportation rates were primarily responsible for this advance.

Compared with a year ago, food was 1.5% higher, with the largest increases occurring in the fruits and vegetables index, which rose 10.2%. Prices of meats, however, were 4.2% off. All other food categories were above last year's level.

Housing costs registered a 1.6% advance, with gains in every section of the housing index. Fuel, power and water rose 2.5%, as gas cost 2.0% more and electricity 0.4% more. The other household operations index rose 2.1%, while rents advanced 1.6% and furnishings and household equipment 1.0%.

Apparel prices were 1.1% higher than a year ago, although women's apparel showed no change. The 3.4% rise in clothing materials and services was the largest increase of any of the three subgroups making up the apparel index, while men's wear advanced 1.5%.

Sundries rose 2.1% with the highest increase recorded in medical care. The higher prices in all commodity groups meant that the consumer paid 1.8% more for goods and services than he did a year ago.

WOMEN'S APPAREL — AN EXCEPTION

The price movements of the various apparel groups have differed considerably during the past two and a half years, as can be seen from the accompanying

chart. Men's wear prices have taken the middle course between the rapidly rising costs of clothing materials and services and the unsteady prices of women's wear. Because of this pattern, the total apparel index has remained between the two diverging indexes, keeping to approximately the same level and rate as the men's clothing index.

The sharp upward trend of the clothing materials and services group began in April, 1955. Six months later men's wear began its slower and more gradual rise. On the other hand, women's apparel prices, after dropping early in 1954, have not followed a definite pattern but have fluctuated within a narrow range.

Although most of the commodity groups in the all-items index are now above their 1953 levels, women's apparel has consistently stayed below. In July, 1956, the women's clothing index was 1.3% below the January, 1954, level.

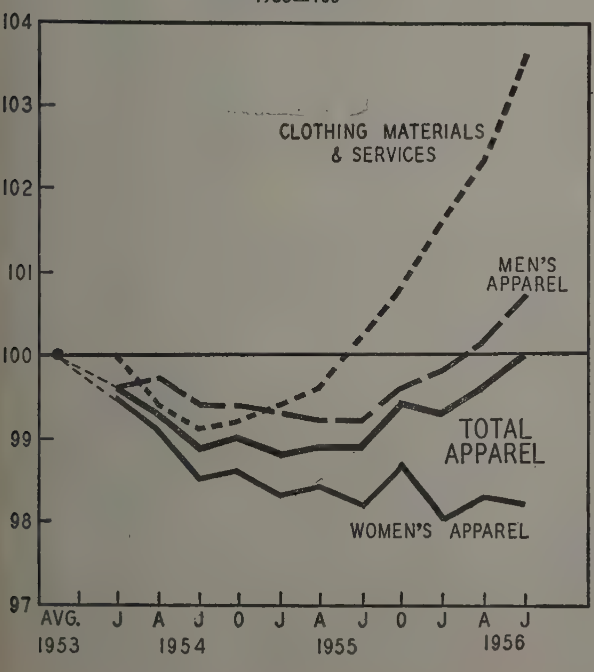
Price Movements in the Subgroups

This month, special attention will be given to the subgroups that make up the women's apparel index. This index is divided into the following categories: dresses, coats, innerwear, underwear and nightwear, footwear, and hosiery and accessories.[1] Over the past two and a half years, the movement of women's apparel has been downward, with most of the subgroups remaining below the 1953 level.

[1] See the August, 1956, *Management Record*, p. 286, for a discussion of the men's apparel index.

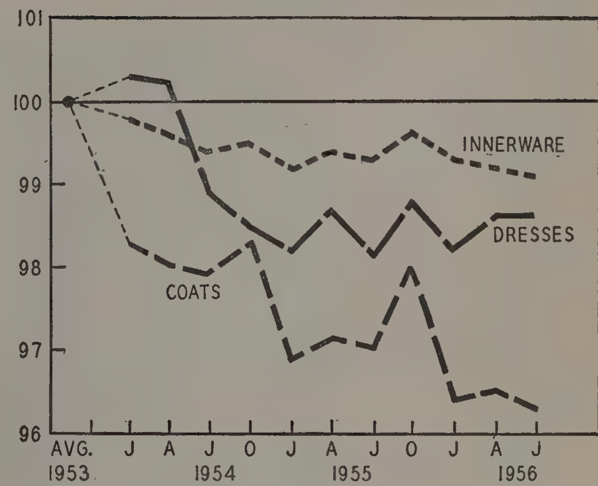
Apparel Indexes

1953=100



Three Subgroups of Women's Apparel

1953=100



Dresses, as a group, have considerable seasonal movement, generally showing peaks in October and April. Prices were down 1.4% between January and July, 1954. In the fall of 1954, a still lower price level was established, and this was roughly maintained through 1955. However, prices began to pick up in the first half of 1956, showing a 0.4% rise. These figures indicate a degree of firmness in the current dress market not apparent for the previous two years. On the whole, the price movements of dresses are very similar to those of women's apparel, as can be seen by a comparison of the two charts. Both of these indexes show considerable variation within a rather limited range.

Over the two-and-a-half-year period, coat prices have shown a more notable decline than dresses. In July, 1956, they were 3.7% off the 1953 level. Since the sale of women's coats is seasonal, few coats are found in stores in the summer months. In the fall, however, winter coats return to the market at higher prices, and, similarly, spring coats advance in price as they reappear in stores in late winter or early spring. The coat index, therefore, shows substantial increases during the fall and winter seasons. However, the downward price trend of women's coats contrasts with the upward price movement of men's coats which has continued since 1953.

Suits, skirts, blouses and sweaters are included in the innerwear category. The innerwear index has been the steadiest of the women's clothing indexes, moving very slightly from month to month. By July, 1956, prices were 0.2% below a year ago, and 0.3% below July, 1954.

The prices of underwear and nightwear have stayed at or above the 1953 level, except for a mild but pro-

(Text continued on page 330)

Consumer Price Index—United States

Cities over 50,000 in population
1953 = 100

	ALL ITEMS	FOOD: Total	FOOD: Meat, Fish, Poultry	FOOD: Cereal, Bakery Products	FOOD: Dairy Products, Eggs	FOOD: Fruits, Vegetables	FOOD: Other Food at Home	HOUSING: Total	HOUSING: Rent	HOUSING: Fuel, Power, Water: Total	HOUSING: Fuel, Power, Water: Gas	HOUSING: Fuel, Power, Water: Electricity
1954 annual average....	100.2	99.5	97.7	103.2	94.2	97.0	110.7	100.9	104.3	101.1	102.7	100.7
1955 January..........	99.9	98.2	94.3	104.0	92.8	97.1	110.2	101.2	105.5	102.7	104.8	100.9
February.........	99.9	98.2	94.4	104.2	93.6	97.4	108.8	101.2	105.5	103.1	105.2	100.9
March............	100.1	98.4	94.1	104.3	94.2	99.1	107.5	101.3	105.7	103.3	105.6	101.0
April............	100.1	98.3	94.3	104.3	93.0	100.7	106.5	101.5	105.8	103.5	106.5	101.1
May.............	100.2	98.4	94.0	104.4	91.7	104.1	105.7	101.4	105.8	102.9	106.5	101.1
June.............	100.2	98.3	94.6	104.4	91.5	103.5	104.6	101.4	105.8	102.7	106.7	101.2
July.............	100.3	98.6	94.9	104.6	92.4	103.6	104.6	101.2	106.2	101.4	103.9	101.6
August...........	100.3	98.2	94.5	104.7	94.5	99.1	104.7	101.5	106.2	101.8	104.2	101.7
September........	100.5	98.5	94.9	104.8	96.4	97.4	105.1	101.6	106.3	102.1	104.5	101.7
October..........	100.7	98.6	94.0	104.8	97.4	97.7	105.5	101.9	106.5	102.6	104.5	101.8
November........	100.7	98.0	91.7	104.4	97.7	98.0	105.6	102.0	106.6	102.9	105.0	101.8
December.........	101.0	97.9	89.9	104.4	98.3	99.7	105.9	102.1	106.8	103.2	105.3	101.8
1955 annual average....	100.3	98.3	93.8	104.4	94.5	99.8	106.2	101.5	106.1	102.7	105.2	101.4
1956 January..........	101.1	97.5	88.4	104.9	98.5	99.7	105.7	102.2	106.8	103.7	106.0	101.9
February.........	101.1	97.3	88.0	104.9	96.9	101.5	105.3	102.4	107.1	104.3	106.0	101.9
March............	101.1	97.0	87.4	104.9	96.0	101.7	105.8	102.6	107.2	104.4	106.0	102.0
April............	101.0	97.0	87.2	104.9	94.7	102.4	106.4	102.6	107.5	104.5	106.1	102.0
May.............	101.2	97.7	88.5	105.0	94.4	105.6	106.7	102.6	107.6	104.0	106.2	102.0
June.............	101.7	99.2	89.9	105.3	94.3	112.1	107.4	102.7	107.7	104.0	106.0	102.0
July.............	102.1	100.1	90.9	105.5	95.1	114.2	108.0	102.8	107.9	103.9	106.0	102.0

	HOUSING (continued): Furnishings, Equipment	HOUSING (continued): Other Household Operations	APPAREL: Total	APPAREL: Men's Apparel	APPAREL: Women's Apparel	TRANSPORTATION	SUNDRIES	PURCHASING VALUE OF DOLLAR	REBASED INDEXES: All Items (January 1939 = 100)	REBASED INDEXES: Purchasing Value of January, 1939 Dollar	REBASED INDEXES: All Items (1947-49 = 100)
1954 annual average....	98.9	100.3	99.2	99.5	98.9	100.1	101.0	99.8	182.0	54.9	114.1
1955 January..........	98.3	100.5	98.8	99.3	98.3	100.0	101.3	100.1	181.5	55.1	113.7
February.........	98.0	100.5	98.8	99.3	98.2	100.1	101.3	100.1	181.5	55.1	113.8
March............	98.1	100.7	98.9	99.2	98.4	100.3	101.3	100.0	181.7	55.0	113.9
April............	98.3	100.7	98.9	99.2	98.4	100.2	101.5	99.9	181.8	55.0	113.9
May.............	98.2	100.8	98.8	99.2	98.3	100.4	101.6	99.8	181.9	55.0	114.0
June.............	98.2	100.6	98.8	99.2	98.2	101.3	101.8	99.8	182.1	54.9	114.1
July.............	98.0	100.7	98.9	99.2	98.2	100.5	102.1	99.7	182.1	54.9	114.1
August...........	98.3	101.0	99.2	99.6	98.5	100.6	102.3	99.7	182.2	54.9	114.2
September........	98.4	101.2	99.3	99.7	98.6	100.9	102.6	99.5	182.5	54.8	114.4
October..........	98.7	101.4	99.4	99.6	98.7	101.3	102.7	99.3	182.9	54.7	114.6
November........	98.9	101.5	99.3	99.7	98.4	102.9	102.7	99.3	182.9	54.7	114.7
December.........	99.2	101.7	99.3	99.7	98.3	104.7	102.9	99.0	183.4	54.5	114.9
1955 annual average....	98.4	100.9	99.0	99.4	98.4	101.1	102.0	99.7	182.2	54.9	114.2
1956 January..........	99.3	102.0	99.3	99.8	98.0	105.8	103.1	98.9	183.6	54.5	115.0
February.........	99.5	102.1	99.3	99.9	98.1	105.3	103.4	98.9	183.6	54.5	115.0
March............	99.4	102.3	99.4	99.9	98.2	105.1	103.7	98.9	183.6	54.5	115.0
April............	99.3	102.2	99.6	100.1	98.3	104.4	103.7	99.0	183.5	54.5	115.0
May.............	99.1	102.4	99.7	100.3	98.2	104.1	103.8	98.8	183.9	54.4	115.2
June.............	99.1	102.4	99.9	100.5	98.3	103.9	103.9	98.3	184.7	54.1	115.8
July.............	99.0	102.8	100.0	100.7	98.2	104.0	104.2	97.9	185.4	53.9	116.2

Consumer Price Index—United States

Annual averages 1914-1955[a]
1953 = 100

Year	All Items	Purchasing Value of Dollar	Year	All Items	Purchasing Value of Dollar	Year	All Items	Purchasing Value of Dollar	Year	All Items	Purchasing Value of Dollar
1914.......	40.3	248.1	1925.......	67.8	147.5	1935.......	53.6	186.6	1945.......	70.2	142.5
1915.......	40.0	250.0	1926.......	68.3	146.4	1936.......	54.8	182.5	1946.......	74.9	133.5
1916.......	43.0	232.6	1927.......	66.9	149.5	1937.......	57.2	174.8	1947.......	84.7	118.1
1917.......	51.3	194.9	1928.......	65.9	151.7	1938.......	55.7	179.5	1948.......	90.1	111.0
1918.......	59.5	168.1	1929.......	65.6	152.4	1939.......	55.0	181.8	1949.......	88.8	112.6
1919.......	67.6	147.9	1930.......	63.4	157.7	1940.......	55.4	180.5	1950.......	90.0	111.1
1920.......	77.8	128.5	1931.......	57.0	175.4	1941.......	58.3	171.5	1951.......	97.0	103.1
1921.......	66.8	149.7	1932.......	50.9	196.5	1942.......	64.5	155.0	1952.......	99.5	100.5
1922.......	63.6	157.2	1933.......	49.0	204.1	1943.......	68.2	146.6	1953.......	100.0	100.0
1923.......	65.4	152.9	1934.......	51.8	193.1	1944.......	69.1	144.7	1954.......	100.2	99.8
1924.......	66.1	151.3							1955.......	100.3	99.7

a Indexes from 1914 through 1919 are for the month of July only and are not annual averages.

Consumer Price Indexes for Individual Cities

These indexes show changes in consumer prices only. They do NOT show intercity differences in price level or standards of living.

Cities Surveyed Monthly

	1953=100			Percentage Changes	
	July 1956	June 1956	July 1955	June 1956 to July 1956	July 1955 to July 1956
Chicago					
All Items	104.8	104.6	102.5	+0.2	+2.2
Food	102.1	102.2	100.1	−0.1	+2.0
Housing	108.3	107.8	106.5	+0.5	+1.7
Apparel	100.7	100.4	98.9	+0.3	+1.8
Transportation	103.5	103.3	100.8	+0.2	+2.7
Sundries	106.7	106.6	103.4	+0.1	+3.2
Houston					
All Items	101.7	101.5	100.1	+0.2	+1.6
Food	99.7	99.2	99.4	+0.5	+0.3
Housing	102.5	102.8	101.1	−0.3	+1.4
Apparel	100.3	100.3	99.1	0	+1.2
Transportation	104.2	103.1	99.6	+1.1	+4.6
Sundries	102.1	102.3	100.8	−0.2	+1.3
Los Angeles					
All Items	101.2	100.7	99.2	+0.5	+2.0
Food	98.7	98.4	95.7	+0.3	+3.1
Housing	101.3	101.0	100.3	+0.3	+1.0
Apparel	99.3	99.2	99.3	+0.1	0
Transportation	104.2	102.9	100.2	+1.3	+4.0
Sundries	103.2	102.5	101.7	+0.7	+1.5
New York					
All Items	102.6	102.2	100.5	+0.4	+2.1
Food	101.0	100.0	98.2	+1.0	+2.9
Housing	103.3	103.2	101.4	+0.1	+1.9
Apparel	98.9	98.9	98.1	0	+0.8
Transportation	113.0	112.5	108.3	+0.4	+4.3
Sundries	102.4	102.3	101.4	+0.1	+1.0

Cities Surveyed Quarterly

	1953=100			Percentage Changes	
	July 1956	April 1956	July 1955	April 1956 to July 1956	July 1955 to July 1956
Birmingham					
All Items	101.1	99.8	100.8	+1.3	+0.3
Food	98.6	94.7	99.0	+4.1	−0.4
Housing	101.6	101.6	101.1	0	+0.5
Apparel	100.7	100.3	98.4	+0.4	+2.3
Transportation	96.7	97.3	100.7	−0.6	−4.0
Sundries	107.6	106.1	104.4	+1.4	+3.1
Bridgeport					
All Items	102.9	101.5	99.9	+1.4	+3.0
Food	101.7	97.6	98.4	+4.2	+3.4
Housing	102.1	101.8	99.9	+0.3	+2.2
Apparel	100.9	101.3	98.6	−0.4	+2.3
Transportation	105.5	105.3	101.3	+0.2	+4.1
Sundries	105.7	104.9	102.4	+0.8	+3.2
Cincinnati					
All Items	103.1	102.1	101.1	+1.0	+2.0
Food	100.0	97.1	98.1	+3.0	+1.9
Housing	103.6	104.0	103.1	−0.4	+0.5
Apparel	102.4	101.8	99.8	+0.6	+2.6
Transportation	103.1	102.7	100.4	+0.4	+2.7
Sundries	107.8	107.1	104.0	+0.7	+3.7
Erie					
All Items	103.0	101.9	100.9	+1.1	+2.1
Food	100.8	98.3	98.1	+2.5	+2.8
Housing	103.2	102.4	101.9	+0.8	+1.3
Apparel	100.9	100.0	99.8	+0.9	+1.1
Transportation	102.4	102.8	98.5	−0.4	+4.0
Sundries	107.8	107.1	105.9	+0.7	+1.8
Grand Rapids					
All Items	104.0	102.3	100.9	+1.7	+3.1
Food	103.9	99.7	100.1	+4.2	+3.8
Housing	103.2	102.7	100.9	+0.5	+2.3
Apparel	102.9	102.2	100.0	+0.7	+2.9
Transportation	103.4	103.0	101.5	+0.4	+1.9
Sundries	106.4	105.0	102.1	+1.3	+4.2
Minn.-St. Paul					
All Items	103.2	102.3	101.2	+0.9	+2.0
Food	103.4	100.6	99.6	+2.8	+3.8
Housing	103.6	102.9	101.9	+0.7	+1.7
Apparel	100.4	100.6	100.5	−0.2	−0.1
Transportation	102.1	102.9	100.1	−0.8	+2.0
Sundries	103.4	103.1	102.4	+0.3	+1.0
Newark-N. E., N. J.					
All Items	101.0	99.7	99.2	+1.3	+1.8
Food	100.0	97.2	98.9	+2.9	+1.1
Housing	101.7	100.8	99.4	+0.9	+2.3
Apparel	98.5	98.3	98.5	+0.2	0
Transportation	101.6	101.9	96.3	−0.3	+5.5
Sundries	102.8	101.8	102.0	+1.0	+0.8
New Orleans					
All Items	102.9	101.6	101.7	+1.3	+1.2
Food	103.6	100.7	102.5	+2.9	+1.1
Housing	102.5	102.5	101.7	0	+0.8
Apparel	101.6	100.9	99.4	+0.7	+2.2
Transportation	100.3	98.0	98.3	+2.3	+2.0
Sundries	105.0	104.9	104.1	+0.1	+0.9
Philadelphia					
All Items	101.0	99.9	99.3	+1.1	+1.7
Food	99.4	95.9	97.6	+3.6	+1.8
Housing	100.5	100.5	99.4	0	+1.1
Apparel	99.7	99.6	98.5	+0.1	+1.2
Transportation	104.6	105.3	100.7	−0.7	+3.9
Sundries	103.5	103.1	101.7	+0.4	+1.8
Roanoke					
All Items	100.0	99.3	98.6	+0.7	+1.4
Food	97.4	94.8	96.0	+2.7	+1.5
Housing	101.5	101.4	100.5	+0.1	+1.0
Apparel	98.7	98.4	96.7	+0.3	+2.1
Transportation	103.0	103.4	98.7	−0.4	+4.4
Sundries	99.8	100.2	100.4	−0.4	−0.6
Seattle					
All Items	102.2	101.8	100.5	+0.4	+1.7
Food	101.7	100.1	100.1	+1.6	+1.6
Housing	101.5	101.3	99.7	+0.2	+1.8
Apparel	100.4	99.7	98.7	+0.7	+1.7
Transportation	100.5	101.8	98.8	−1.3	+1.7
Sundries	106.4	106.1	104.4	+0.3	+1.9
Syracuse					
All Items	101.2	100.6	100.0	+0.6	+1.2
Food	98.3	96.2	98.4	+2.2	−0.1
Housing	103.1	102.5	100.7	+0.6	+2.4
Apparel	101.6	101.3	99.4	+0.3	+2.2
Transportation	100.9	103.5	101.0	−2.5	−0.1
Sundries	102.3	101.8	101.2	+0.5	+1.1

(Text continued from page 327)

longed slump from August, 1954, to September, 1955. This July, the underwear and nightwear index was 0.7% higher than a year ago and 0.2% higher than in July, 1954.

Shoes are also more expensive than they were two and a half years ago, although a decline was registered earlier this year when sales were reported in several cities. Women's shoe prices have not reacted as quickly as men's to the increased cost of leather. Between the fall of 1955 and July, 1956, the price of men's shoes rose 2.7%, whereas women's shoes were only 0.2% higher. This July, men's shoes were 0.4% above June prices, while women's shoes were up 0.2%.

Lower hosiery prices have pulled the hosiery and accessories index below the other subgroups of clothing. The drop in this index also reflects a reduction in luxury taxes which lowered handbag prices in the spring of 1954. By July, 1956, prices of these items were at the lowest level in three years, falling 4.5% between January, 1954, and July, 1956.

CLOTHING MATERIALS AND SERVICES

The upward trend of the clothing materials and services index is a reflection of substantially higher service costs, since materials have not moved far from the 1953 level. Jewelry, a minor part of the index, declined in price over the two-and-a-half-year period because of the reduction in the luxury tax. This could not, however, offset the larger gains of apparel services. Prices of clothing materials dropped slightly in June, 1954, and remained steady until October, 1955, when they began edging up. In July, 1956, clothing materials were 0.3% above the year-ago level.

The cost of clothing services—shoe repair and dry cleaning—rose 7.0% during the last two and a half years. This upward trend is very similar to the price rise of services in several other parts of the total index. After inching up slightly in July, 1954, prices remained steady until July, 1955, when they began to rise more sharply. In July, 1956, clothing services were 5.1% above a year ago.

ZOE CAMPBELL
Statistical Division

Management Bookshelf

When Labor Votes—Sponsored by the United Automobile Workers, AFL-CIO, three members of the Wayne University faculty made this study of the voting habits of the UAW members in Detroit. They conclude that, in general, Detroit auto workers vote in agreement with the union's recommendations and also oppose the political influence of business. The authors also find that the workers' political interest is moderate when compared to the union's active political campaigning; that the UAW's effort to "get out the vote" has met with some degree of success; that a substantial portion of the UAW members are politically active and extremely prolabor, although large numbers feel politically impotent; and that about one-third of the members are active union participants, while one-fourth have only weak ties to the union. The authors reach many other interesting conclusions based on their statistical analysis of a random sampling of workers. *By Arthur Kornhauser, Harold L. Sheppard, and Albert J. Mayer, University Books, New York, New York, 1956, 352 pp. $5.*

Industrial Organization and Management—A new and revised edition of a comprehensive text on the operations and interrelationship of functions in an industrial organization, as well as some of the fundamental principles of management that may lead toward effective coordination and control. Emphases in this version are directed toward new developments in automation; operations research; recent applications of electronics to plant and office operations; trends in labor relations and collective bargaining; government regulations and practices pertaining to marketing; and new policies and practices in marketing essential to continued high productivity in a strongly competitive buyer's market. *By Lawrence L. Bethel, Franklin S. Atwater, George H. E. Smith and Harvey A. Stackman, Jr., McGraw-Hill Book Company, Inc., New York, New York, 1956, 719 pp. $6.75.*

The Accident Syndrome—This research study is concerned with the 80% to 90% of accidents that are attributable to the individual and not to chance. It is based on 35,000 consecutive accidental injury records and the author suggests that a pattern emerges which makes it possible to predict the "who, when and where" of accidents likely to occur. The statistical data show accidents to be the result of the individual backgrounds of "accident makers." The study, therefore, presents a clinical approach to the conclusion that accident prevention must be concerned with the person's whole background and habits, not only on-the-job and recreational hazards. The young, the male and the maladjusted are found to be the leading "accident makers." *By Morris S. Schulzinger, M.A., M.D., Charles C. Thomas, Publisher, Springfield, Illinois, 1956, 234 pp. $6.50.*

Evaluating Industrial Medical Departments—This reprint of part of the transactions of the twentieth annual meeting of the Industrial Hygiene Foundation explains objectives of medical surveys, the steps used in evaluating them, differing management attitudes, characteristics of the industrial physician, medical practices and procedures, and the cost of medical surveys. *By Daniel C. Braun, M.D., Industrial Hygiene Foundation of America, 4400 Fifth Avenue, Pittsburgh 13, Pennsylvania. 10 pp. Free.*

Major Medical

(Continued from page 309)

or some per cent of an employee's wages). Only six of the plans studied here use this arrangement and all apply the deductible separately to each disability. In two plans, the deductible is either $300 or the base plan benefit, whichever is greater; and in four plans the deductible is either $500 or the base plan benefit, whichever is greater.

3. Corridor Deductible

Under the integrated and nonintegrated types of deductible, the amount which an employee pays "out of pocket" as a deductible will depend upon the size of the benefits provided by the base plan. As Chart 2 illustrates, he may have to pay the entire specified dollar amount, part of it, or none of it. However, the most common type of deductible makes it mandatory that an employee pay out of pocket before major medical benefits begin. It does this by putting a dollar corridor (hence, its name) between the base plan benefits and the major medical plan benefits. The employee must pay all of this corridor amount before the major medical plan begins to reimburse him for further expenses (see Chart 2 on page 309).

Twenty-nine of the thirty-nine plans studied here use a corridor deductible. All plans with a calendar-year benefit period and all with a medical expense period use a corridor deductible. And ten of the eighteen plans with a benefit period covering the duration of the disability also use the corridor.

Sixteen plans have a flat-sum corridor: $100 in ten plans; $200 in five plans; and $300 in one plan. The other thirteen plans base the corridor on the employee's earnings; 1% or 2% of annual wages is the standard figure. These plans invariably specify a minimum and maximum corridor. The minimum is: $100 in eleven plans; $50 in one plan; and $150 in one plan. The maximum is: $200 in four plans; $250 in two plans; $300 in three plans; $400 in one plan; $500 in one plan; and a straight 1% of earnings in two plans.

Other Aspects

There are two other major facets to deductibles. First of all, the deductible can be applied per person or it can be applied per family. The vast bulk of plans apply the deductible separately to each person covered, whether the person is the employee or one of his dependents. Only a relatively few plans allow the medical expenses of an entire family to be pooled during a calendar year in order to meet the deductible. None of the thirty-nine plans in this study have such a family deductible. However, one of the plans imposes no further deductibles on a family in any calendar year after two members of the family have met their individual deductibles.

In addition, there is a relatively common provision in major medical plans which does recognize the family as a unit for fulfilling the deductible. This is the "common accident" clause. Under this provision, if two or more people in the same family are injured in the same accident, only one deductible is charged against the resulting medical expenses. Twenty-two of the thirty-nine plans have this common accident clause.

The second important aspect of the deductible has been described previously—the deductible can be applied separately to each disability, or it can be applied to *all* medical expenses incurred in a twelve-month period. As already indicated, twenty-seven plans apply the deductible to each disability. Eighteen of them apply only one deductible to each disability, and seven apply a deductible each twelve months the disability lasts. The remaining twelve plans apply the deductible each benefit year or each calendar year.

The calendar-year deductible (a corridor) invariably has the following provision to prevent the deductibles from falling too close together: any medical expenses applied against a deductible in the last three months of one calendar year can be applied against the next calendar year's deductible as well.

COINSURANCE

After the deductible has been met, major medical benefits actually begin. In most cases, however, the major medical plan does not pay all of the expenses incurred after the deductible. Usually the employee must pay part of the bill. Of the thirty-nine plans studied here, twenty-nine require the employee to pay 25% of the major medical expenses, and nine require the employee to pay 20%.

Only one plan does not have this coinsurance feature. After a corridor deductible of $200, this plan pays all expenses, up to $10,000 for each disability. The underwriter of this plan recently has offered another variation of the coinsurance principle. This revised plan pays 75% of the first $2,500 and all of the bill

Table 2: Maximum Benefits Available under Each Type of Benefit Period

Type of Benefit Period	Total Plans	Maximum Benefits $2,500	$5,000	$10,000
Each disability	18	—	14	4
Medical expense period	9	3	3	3
Calendar year	11	—	6	5
Benefit year	1	—	—	1
Total plans	39	3	23	13

over $2,500. It is also possible to use a plan which pays a larger proportion of the expenses of low salaried people than high salaried people.

The coinsurance feature is designed, of course, to prevent an employee from abusing the plan while still providing adequate funds to meet major expenses. The coinsurance principle is assumed to be an incentive for the employee to hold down expenses—to resist the temptation to use deluxe accommodations rather than merely adequate ones and to scrutinize all bills closely to prevent excessive charges.

MAXIMUM BENEFITS

For any particular medical bill, the amount paid by the major medical plan, as already indicated, depends on the size and type of deductible, the type of benefit period, and the size of the coinsurance factor. But an important additional factor is the maximum benefit stated in the plan. There are two types of maximums used in major medical plans—an over-all maximum for the "lifetime" of each individual, and a maximum for each benefit period. Most companies use one or the other, but some plans (seven in this study) use both.

In seventeen plans, the maximum is stated *only* in terms of the benefit period. Fifteen of these plans set a maximum for each disability period—$5,000 in thirteen plans and $10,000 in two plans. The other two plans have a $10,000 maximum for each medical expense period.[1]

Twenty-two plans, on the other hand, specify an over-all, or lifetime, maximum for each individual. However, practically all of these plans allow the individual to reinstate his initial maximum after some part of it—usually $1,000—has been used, if the employee can show evidence of insurability. Eleven plans use a $10,000 maximum for each person; nine plans set a limit of $5,000; and one plan has a $20,000 maximum. In one plan the maximum rises from $5,000 to $10,000 as the employee's salary rises. All of the plans that apply the major medical plan to a calendar year or benefit year have lifetime maximums. And seven of the nine medical-expense-period plans also have lifetime maximums. But only three of the eighteen plans which cover the duration of a disability have such maximums.

Among the twenty-two plans with lifetime maximums, seven also specify a maximum for each benefit period. One plan has a $5,000 maximum for each calendar year and a $10,000 maximum for each person. Three have a $5,000 maximum for each medical expense period and an individual maximum of $10,000 (two plans) or $20,000 (one plan). Three plans have a $2,500 maximum for each medical expense period and an individual maximum of $5,000.

[1] This applies only to employees. Dependents have a $20,000 lifetime maximum.

The remaining fifteen plans of the twenty-two with lifetime maximums do not specify a maximum for each benefit period. In these plans it is the lifetime maximum that determines the maximum benefits available in any one benefit period. The amount available depends, of course, on how much of the lifetime maximum has been used in previous benefit years. Table 2 shows the maximum amounts available in each type of benefit period. If a plan does not specify a benefit period maximum, it is classified according to its over-all individual maximum.

COMPREHENSIVE MEDICAL PLANS

As indicated earlier, the primary purpose of most major medical plans is to offer protection against medical expenses which are too large for the base plan to handle. However, the successful development of protection against expenses not covered by the base plan has led to an intensive re-evaluation of the base plan itself. One result has been the development of the comprehensive medical plan.

The most obvious characteristic of a comprehensive medical plan is that it eliminates entirely the base plan. The comprehensive plan draws no distinction between base plan and major medical benefits. Instead the plan applies to the entire range of expenses, minor as well as major. And it applies to practically all types of expenses and to practically all types of nonoccupational disability. In addition, under a comprehensive medical plan, the coinsurance principle is applied to the whole range of expenses. It might be pointed out that even under the standard base plan there is usually an element of coinsurance. Certain kinds of expenses may not be reimbursable at all, and other kinds may not be entirely covered even for a short-term illness. The comprehensive plan merely makes this coinsurance element explicit.

But the most significant aspect of a comprehensive plan is the philosophy behind the deductible. The comprehensive plan starts with the premise that a certain amount of medical expense is as inevitable as food and rent. An employee should be able to budget for these medical expenses, too. Under this premise, to use insurance for relatively minor expenses that fall with some regularity is merely to add the cost of insurance administration to an inevitable, basic expense. Rather, medical insurance protection should only take over when expenses get beyond the bounds of the budget.

Therefore, under a comprehensive plan, the deductible is applied to the "first cost" of medical expenses. For example, if a plan with a $100 deductible is designed to provide protection on a calendar year basis, the employee must pay the first $100 of medical bills in that calendar year before the plan comes into play. If the plan is designed to provide protection on a per disability basis, the employee must pay all of the bills

for disabilities under $100 and the first $100 of any disability that runs more than $100.

The basic purpose of the first-cost deductible is, of course, to make more effective use of the premium dollar. That is, if the employee will handle minor expenses—claims which are budgetable and relatively costly to administer—the premium dollar can be used to provide protection when it is really needed, at the point where medical expenses become unexpected and costly.

In the most common type of base plan-major medical plan arrangement, the deductible is a corridor between the base plan and the major medical plan. The corridor is put there not only to prevent an overlap of benefits but also to force the employee to pay out of pocket before the major medical plan takes over.[1] Using the logic of the comprehensive medical plan, however, this corridor arrangement applies the deductible in the wrong place. Advocates of the first-cost deductible point out that an employee is reimbursed by the base plan for expenses for which he could have budgeted, and then the deductible is applied just at the point where expenses become heavy. They say that too much of the premium dollar is being used to *prepay* expected, normal medical expenses and too little is being used to *insure* unexpected, costly illnesses.

To date, the comprehensive medical plan is not widely used. For example, only two of the companies in this study have such a plan. On the other hand, one of the larger underwriters recently reported that nearly two-thirds of the major medical plans it sold in the first quarter of 1956 provided comprehensive medical coverage. And the Life Insurance Association of America reports that 500 comprehensive plans were written in 1955 compared to only eighty in 1954. These 500 plans represent about 30% of the new major medical plans written in 1955.

Comprehensive plans fall into three basic types. Two of these patterns are illustrated by the two plans found in this study. The third pattern can be illustrated by the General Electric plan.[2]

1. The first type of plan applies the same deductible to all kinds of expenses and imposes coinsurance immediately after the deductible. For example, one plan in this study uses a $100 deductible and a 25% coinsurance feature on all expenses beyond the deductible. Maximum benefits are $5,000 for each medical expense period, with a lifetime maximum of $20,000 for each individual covered.

[1] Integrated and nonintegrated plans may also cause an employee to pay out of pocket before the major medical plan takes hold. But this is not the intent of the specified dollar deductible in these plans; rather, it is an unavoidable result of the fact that some illnesses may result in the base plan paying less than the average amount which was used to set the level of the dollar deductible.

[2] For the details of the General Electric plan, see "Briefs on Employee Benefits," January, 1956, *Management Record*, p. 20.

2. The basic variant of the above type of plan is one which imposes a different deductible on different types of expenses. For example, the second plan in this study has no deductible for hospital expenses, but uses a $50 or $100 deductible for nonhospital expenses (depending on the amount that the employee earns). Coinsurance is 20%. And the maximum benefit is $5,000 for each disability.

3. The General Electric plan also uses a different deductible for different types of expenses. But this plan's distinctive feature is that coinsurance does not always start immediately after the deductible is met. Instead, for one type of expense—Type A expenses—the plan pays all bills up to a specified amount before coinsurance comes into play. These Type A expenses, which cover hospital room and board and surgical expenses, are handled as follows: a $25 deductible; the plan pays the next $225; remaining expenses covered by 15% coinsurance. All other expenses are handled differently: a $50 deductible and 25% coinsurance immediately after the deductible has been satisfied. The General Electric plan is on a calendar year basis with a maximum deductible for all expenses of $50 each year. The maximum benefits are $7,500 each calendar year, with a lifetime maximum of $15,000 for each person.

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Management Bookshelf

Transactions of the 20th Annual Meeting and Technical Conferences of the Industrial Hygiene Foundation—Speeches and discussions at the medical, legal, engineering and chemical-toxicological conferences that marked the Industrial Hygiene Foundation's annual meeting are included in this Transactions Bulletin No. 29. The relationship between the medical department and management, the present status of some analytical methods used in industrial hygiene, workmen's compensation developments, and features of the working environment are but a few of the subjects covered. *Industrial Hygiene Foundation of America, Mellon Institute, 4400 Fifth Avenue, Pittsburgh 13, Pennsylvania, 1956, 247 pp., $5.*

Functions, Standards and Qualifications for an Industrial Nurse in a One-Nurse Service in Industry or Commerce—This detailed guide is designed to represent a reasonable balance between present practice and emerging patterns for industrial nursing programs in one-nurse medical units. The growing trend is for these units to carry on health-maintenance programs instead of concerning themselves solely with emergency first-aid care. *Available from Industrial Nurses Section, American Nurses' Association, 2 Park Avenue, New York 16, New York, 12 pp. Free*

Wage Increases Shift Upward

ANALYSIS of the 140 wage adjustments confirmed by THE CONFERENCE BOARD during the mid-July to mid-August period points up these significant facts:

- Eleven cents is the current average increase in the United States.
- Sixteen Canadian settlements, tabulated separately, show somewhat smaller wage gains; fringe benefits include a reduced workweek with no reduction in take-home pay.
- Deferred increases in long-term contracts are noted in a third of the settlements. Some one-year agreements also provide for subsequent payments in addition to the initial increases.
- Tandem increases covering the white collar groups were made in two out of three of the settlements.
- Most of the settlements are in the rubber, food, stone, clay and glass, paper and machinery industries.

This month's average increase of 11 cents an hour compares with the first-half average of 9 cents and the dime average for the two preceding months. It suggests a continuation of the upward trend in wage rates that has been so evident in recent months. Distribution of the 102 hourly increases in the United States is shown in the accompanying chart. In addition to these, twenty-two percentage increases were granted, which range from 2.5% to 9.5%. Sixty-one settlements, or half those shown in the chart, are at or above 10 cents. The industries consistently represented at or above this level are chemicals, mining, paper, petroleum, stone, clay and glass, and transportation. And all sixteen settlements shown in the "18 cents and over" bracket are in the stone, clay and glass group. Fourteen increases in the food industry are about equally distributed among all ranges —about half being 10 cents or more and the other half less than 10 cents.

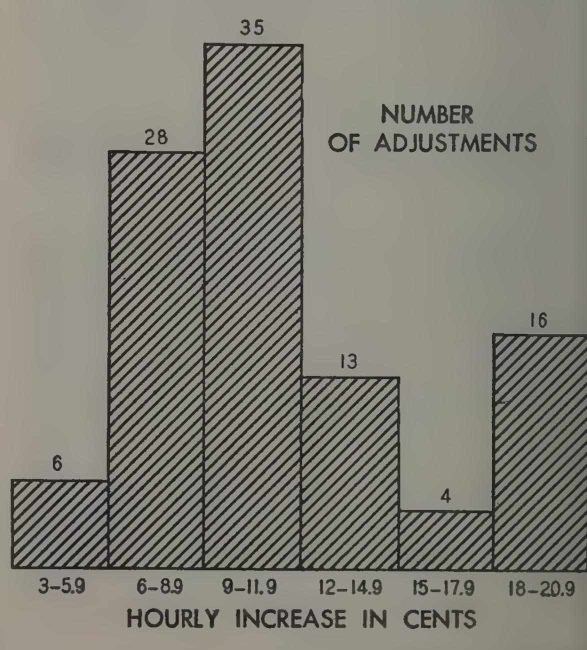
Four settlements in the rubber industry brought increases of 6 cents an hour to wage earners and a minimum of approximately $11 a month to salaried employees. These were agreed upon by Firestone Tire and Rubber Company, the B. F. Goodrich Company, the Goodyear Tire and Rubber Company and the United States Rubber Company. The settlements covered some 90,000 Rubber Workers, AFL-CIO, and resulted from wage reopenings in existing contracts. More than 20,000 nonunion salaried employees received tandem adjustments concurrent with the union settlements.

Ten additional settlements in various industries brought tandem adjustments to a total of more than a thousand salaried workers. Among these are the salaried employees at Electric Controller Manufacturing Company whose 5% increase adjusted their pay to the 11 cents bargained by that company and the United Electrical Workers, ind. The Square D Company settlement with UAW, AFL-CIO, resulted in a tandem increase to 700 salaried personnel of 3% or $10.50 per month, whichever is greater. And at Hammermill Paper Company, 125 salaried employees benefited by a 4% increase as compared with the 10-cent raise granted to the Paper Makers, AFL-CIO.

Of the eight settlements involving unionized salaried employees, four were with members of the Office Employees' Union, and one each with four other unions—IBEW; District 50, UMWA; the Seattle Professional Engineering Association; and the Associated Unions of America. In the settlement between the Kansas City Power and Light Company and the

(Text continued on page 344)

Wage Adjustments in the United States



Wage Adjustments Announced Prior to August 15, 1956

Company and Union(s)	Approximate No. and Type of Employees Affected;* Effective Date	Amount of Adjustment	Fringe Benefits**	Remarks
Apparel				
Paragon Worsted Company Providence, R. I. *Textile Workers, AFL-CIO*	400 WE 5-1-56	$.12 per hr.	None	Result of wage reopening. Contract expires 4-30-57
Chemicals and Allied Products				
Allied Chemical and Dye Corp. Buffalo, N. Y. *District 50, UMWA, ind.*	1,400 WE 6-29-56	6% general	(1) Add'l $.02 3rd shift premium (2) Increased sick. and accident benefits (3) 1 add'l. paid hol.	Result of contract expiration. Contract term—2 yrs.
Glidden Paint Company Cleveland, Ohio *Oil, Chemical and Atomic Workers, AFL-CIO*	240 WE 6-26-56	$.10 per hr., add'l. $.10 per hr. 6-26-57	(1) Improved pension provisions (2) Company contribution to hospitalization increased to $5 per mo. from $3 (3) 7th paid hol.	Result of contract expiration. Contract term—2 yrs. Wage reopening for cost of living adj. every 6 mos.
Interchemical Corporation Hawthorne, N. J. *Oil, Chemical and Atomic Workers, AFL-CIO*	160 WE 7-1-56	7%	Hospital benefits increased to 70 days from 31; surgical schedule increased to max. of 300 from 250	Result of contract expiration. Contract term—1 yr.
Monsanto Chemical Company Springfield, Mass. *IUE, AFL-CIO*	2,000 WE 6-18-56	$.11 per hr., add'l. $.08 per hr. 7-18-57	None	Result of contract expiration. Contract term—2 yrs.
Monsanto Chemical Company Lion Oil Company Division El Dorado, Ark. *Oil, Chemical and Atomic Workers, Machinists—both AFL-CIO*	670 WE 7-1-56	$.11 per hr., add'l. $.06 per hr. 7-1-57	Increased shift premiums	Result of voluntary reopening. Contract term—2 yrs.
Operating Engineers, AFL-CIO	336 WE 6-8-56	$.15 per hr., add'l. $.05 per hr. 7-23-56 and 9-6-56	Shift premiums increased to $.08 and $.16 per hr. from $.06 and $.12	Result of contract expiration. Contract term—1 yr.
Olin-Mathieson Chemical Corp. Niagara Falls, N. Y. *Oil, Chemical and Atomic Workers, AFL-CIO*	705 WE 6-28-56	$.12 per hr.	Hol. pay increased to 2½ times pay from 2 times	Result of contract expiration. Contract term—1 yr.
Communications				
Rochester Telephone Company Rochester, N. Y. *Communications Workers, AFL-CIO*	850 WE 6-23-56	$.095 per hr. (ranging from $3 to $5.50 per wk.)	1 add'l. paid hol.	Result of contract expiration. Contract term—13 mos.
Electrical Machinery, Equipment and Supplies				
Electric Controller and Manufacturing Co. Cleveland, Ohio *Electrical Workers (UE) ind.—WE* *No union—S*	485 WE 6-1-56 286 S 6-25-56	$.113 per hr. av.—WE 5%—S	Improved vacation allowance—WE	Result of contract expiration. Contract term—1 yr.—WE Tandem adj.—S
Square D Company Detroit, Mich. *UAW, AFL-CIO—WE* *No union—S*	1,128 WE 5-16-56 (signed 7-5-56) 727 S 5-21-56	2½% or $.06 per hr., whichever is higher—WE 3% or $10.60 per mo., whichever is higher—S	(1) Equity fund est. to adj. job class (2) Increased night shift premium (3) Cost of living allowance (4) Increased life ins., disability benefits, and hospitalization	Result of contract expiration. Contract term—2 yrs.—WE Tandem adj.—S
Peru, Ind. *Machinists, AFL-CIO—WE* *No union—S*	476 WE 44 S 7-56	$.08 per hr—WE $14 per mo.—S	None	Result of wage reopening. Contract expires 7-2-56—WE Tandem adj.—S

Wage Adjustments Announced Prior to August 15, 1956—Continued

Company and Union(s)	Approximate No. and Type of Employees Affected;* Effective Date	Amount of Adjustment	Fringe Benefits**	Remarks
Fabricated Metal Products				
Babcock & Wilcox Company Barberton, Ohio *Boilermakers, AFL-CIO*	4,000 WE 7-1-56	$.145 per hr.	None	Result of wage reopening. Contract expires 6-30-57
Faultless Caster Corporation Evansville, Ind. *Machinists, AFL-CIO—WE* *No union—S*	450 WE 7-1-56 250 S	$.06 per hr., add'l. $.06 to skilled employees. Add'l. 3% ($.06 per hr. min.) 7-1-57—WE & S	Increased life ins. and hospitalization—WE & S	Result of contract expiration. Contract term—2 yrs.—WE Tandem adj.—S
Food and Kindred Products				
Canada Dry Ginger Ale, Inc. New York metropolitan area *Teamsters, AFL-CIO*	269 WE 6-1-56	$.15 per hr., add'l. $.05 per hr. 1957 and $.10 per hr. 1958	(1) Double surgical benefits under company group ins. plan (2) 4 wks.' vacation after 15 yrs. (3) 6 cumulative sick days per yr.	Result of contract expiration. Contract term—3 yrs.
Corn Products Refining Company Argo and Pekin, Ill.; North Kansas City, Mo.; Corpus Christi, Tex. *Oil, Chemical and Atomic Workers, AFL-CIO*	4,500 WE 7-1-56	$.12 per hr.	None	Result of wage reopening
General Mills, Inc. Vallejo, Cal. *Grain Millers, AFL-CIO*	191 WE 8-1-56	4.5% ($.09 per hr.), add'l. 3.5% ($.075 per hr.) 8-1-57	*n.a.*	*n.a.*
Minneapolis and St. Paul, Minn. *Grain Millers, AFL-CIO*	368 WE 7-1-56 & 8-15-56	$.0975 per hr. av., add'l. $.08 per hr. 7-1-57	*n.a.*	*n.a.*
Chicago, Ill. *Office Employees, AFL-CIO*	32 S 9-1-56	$16.50 per mo. av., add'l. $13.87 per mo. 1957	*n.a.*	*n.a.*
Libby, McNeil & Libby San Francisco, Cal. *Teamsters, AFL-CIO*	1,500 WE 3-1-56 (signed 6-19-56)	$.115 per hr.—men $.10 per hr.—women	Teamster pension plan eff. 3-1-57	Result of contract expiration. Contract term—3 yrs. Wage reopening upon 6% change in cost of living index
Furniture and Fixtures				
Acco Products, Inc. Ogdensburg, N. Y. *Paperworkers, AFL-CIO—WE* *No union—S*	120 WE 6-1-56 20 S	$.10 per hr.—WE & S	None	Result of contract expiration. Contract term—2 yrs.—WE Tandem adj.—S
Insurance				
Northwestern Mutual Life Insurance Co. Milwaukee, Wis. *Associated Union of America, ind.*	1,386 S 5-1-56	$.08 per hr., add'l. $.06 per hr. 5-1-57	None	Result of contract expiration. Contract term—2 yrs.
Leather and Leather Products				
A. F. Gallun & Sons Corp. Milwaukee, Wis. *Meat Cutters, AFL-CIO*	350 WE 6-25-56	$.065 per hr., add'l. $.06 per hr. 6-24-57	(1) Inequity adj. (2) Increased life ins.	Result of wage reopening. Contract expires 7-1-58
Machinery (except Electrical)				
American Non-Gran Bronze Co. Berwyn, Pa. *IUE, AFL-CIO*	90 WE 7-1-56	$.08 per hr.	Blue Shield plan "B"	Result of contract expiration. Contract term—1 yr.
Atwood & Morrill Company Salem, Mass. *Electrical Workers (UE), ind.*	150 WE 7-1-56	$.05 per hr., add'l. $.05 per hr. 12-1-56 and 6-1-57	(1) Severance pay plan (2) 8th paid hol. (3) Increased sick benefits	Result of contract expiration. Contract term—18 mos.

Wage Adjustments Announced Prior to August 15, 1956—Continued

Company and Union(s)	Approximate No. and Type of Employees Affected;* Effective Date	Amount of Adjustment	Fringe Benefits**	Remarks
The Baker-Raulang Company Sub. of Otis Elevator Company Cleveland, Ohio *UAW, AFL-CIO*	480 WE 6-27-56	$.10 per hr., add'l. $.085 per hr. 6-27-57	(1) 2 wks.' vacation after 3 yrs. (2) Paid military leave (3) Group life ins. increased to $2,500 from $2,000 (4) Improved pension (5) Cost of living factor changed to $.01 adj. for each .5 change in C.P.I.	Result of contract expiration. Contract term—2 yrs.
Bovaird&SeyfangManufacturingCo. Bradford, Pa. *Machinists, AFL-CIO*	*n.a.* 7-16-56	6.25%, add'l. $.06 per hr. 1957 and 1958	Increased hospital, medical and maternity benefits	Result of contract expiration. Contract term—3 yrs.
Duriron Company, Inc. Dayton, Ohio *Steelworkers, AFL-CIO*	600 WE 6-1-56	$.14 per hr.	Increased accident and hospital ins.	Result of contract expiration. Contract term—2 yrs.
Hammel-Dahl Company Providence, R. I. *Machinists, AFL-CIO—WE* *No union—S*	130 WE 5-28-56 *n.a.* S	$.05 per hr.—WE $2 per wk.—S	(1) Family Blue Cross 50% company paid—WE & S (2) Funeral leave pay—WE (3) Annual encampment leave—WE	First contract. Contract term —2 yrs.—WE Tandem adj.—S
Package Machinery Company East Longmeadow, Mass. *IUE, AFL-CIO*	425 WE 5-16-56	4%, add'l. 4% 1957 and 1958	(1) 4 wks' vacation after 20 yrs. (2) Liberalized pension plan	Result of contract expiration. Contract term—3 yrs.
The Singer Manufacturing Co. Elizabethport, N. J. *IUE, AFL-CIO*	4,700 WE 6-24-56	$.065 per hr. av., add'l. 2.5% 1957 and 1958	(1) 8th paid hol. (2) Liberalized life ins. and wkly. sick benefits	Result of voluntary reopening. Former contract due to expire 11-1-56 extended to 11-1-59
Wood Newspaper Machinery Corp. Plainfield, N. J. *Machinists; Molders and Foundry Workers—both AFL-CIO*	370 WE 4-2-56 (signed 5-14-56)	$.15 per hr., add'l. $.065 per hr. 4-1-57	(1) Increased life ins. (2) Add'l. paid hol. (2 half days) (3) $.05 per hr. to pension plan or to wages 4-1-57	Result of contract expiration. Contract term—2 yrs.
Worthington Pump Corp. Buffalo, N. Y. *Office Employees, AFL-CIO*	350 S 6-7-56	$5.50 per wk.	Shift premium increased to $.095 from $.075	Result of contract expiration. Contract term—1 yr.
Mining				
Kennecott Copper Corporation Nevada, Utah, Arizona, New Mexico *Mine, Mill and Smelter Workers, Locomotive Firemen and Enginemen—both ind.; also several AFL-CIO craft groups*	10,000 WE 7-1-56	$.10 per hr., add'l. $.06 per hr. 7-1-57 and 7-1-58 $.0025 per hr. increase in job increments 7-1-56, 7-1-57 and 7-1-58	(1) Contributory health and welfare plan (2) Contributory life, accidental death or dismemberment, and wkly. sick. and accident ins.	Result of contract expiration. Contract term—3 yrs.
Wyandotte Chemical Company Alpena, Mich. *Cement, Lime and Gypsum Workers, AFL-CIO*	242 WE 5-17-56	$.18 per hr.	(1) 7th paid hol. (2) Hospital benefits increased to $12.50 per day with a $187.50 max. for special services (3) Accident and health wkly. benefits increased to $35	Result of contract expiration. Contract term—1 yr.
Paper and Allied Products				
Brown Company Berlin, N. H. *Pulp, Sulphite and Paper Mill Workers, AFL-CIO*	3,000 WE 6-15-56	6% ($.10 per hr. min.), add'l. $.06 per hr. to 1st class maintenance and $.05 per hr. to other classes	4 wks.' vacation after 25 yrs.	Result of contract expiration. Contract term—1 yr.
Champion-International Company Lawrence, Mass. *Paper Makers, AFL-CIO*	582 WE 6-1-56	$.11 per hr.	(1) Improved overtime provisions (2) Increased shift premiums (3) Improved vacations: 2 wks. after 3 yrs., 3 wks. after 12 yrs., 4 wks. after 20 yrs. (4) Improved group ins. (5) Added pension benefits	Same as above

Wage Adjustments Announced Prior to August 15, 1956—Continued

Company and Union(s)	Approximate No. and Type of Employees Affected;* Effective Date	Amount of Adjustment	Fringe Benefits**	Remarks
Downingtown Paper Company Downingtown, Pa. *Paperworkers, AFL-CIO*	350 WE 6-10-56	9.5%	*n.a.*	Result of contract expiration. Contract term—1 yr.
Fitchburg Paper Company Fitchburg, Mass. *Paper Makers, AFL-CIO—WE* *No union—S*	431 WE 70 S 6-1-56	$.105 per hr. av.—WE $4 per wk.—S	(1) 1½ times pay for Sat. work—WE (2) 4 wks.' vacation after 25 yrs.—WE & S	Result of contract expiration. Contract term—1 yr.—WE Tandem adj.—S
Great Northern Paper Company Millinocket and East Millinocket, Me. *Paper Makers; Pulp, Sulphite and Paper Mill Workers; Carpenters and Joiners; Machinists; Firemen and Oilers; IBEW; Plumbers; Office Employees—all AFL-CIO*	2,300 WE 400 S 5-1-56	7% ($.12 per hr. min.)—WE 8%—S	(1) Liberalized vacation pay (2) Liberalized pension plan eff. 4-15-56	Result of contract expiration. Contract term—1 yr.
Hammermill Paper Company Erie, Pa. *Paper Makers, AFL-CIO—WE* *No union—S*	1,750 WE 6-1-56 122 S 5-1-56	$.10 per hr.—WE 4%—S	(1) Company contribution to group ins. increased to 70%—WE (2) 3 wks.' vacation after 12 yrs., 4 wks. after 25 yrs.—WE (3) Salary curve and merit adj.—S	Result of contract expiration. Contract term—1 yr.—WE Tandem adj.—S
Hinde & Dauch Paper Co. Detroit, Mich. *Paperworkers, AFL-CIO*	154 WE 7-7-56	$.08 per hr.	Funeral leave pay	Result of contract expiration. Contract term—2 yrs.
Gloucester City, N. J. *Paperworkers, AFL-CIO*	218 WE 5-21-56	$.09 per hr.	Same as above	Result of contract expiration. Contract term—1 yr.
Hollingsworth & Whitney Company Winslow and Madison, Me. *Paper Makers; Pulp, Sulphite and Paper Mill Workers; IBEW; Machinists—all AFL-CIO*	1,348 WE 6-4-56	7%	(1) 7th paid hol. (2) Shift premium increased to $.10 per hr. from $.08	Same as above
Hollingsworth & Vose Company East Walpole and West Groton, Mass. *Paperworkers, AFL-CIO*	333 WE 7-1-56	$.10 per hr.	(1) Blue Cross 50% company paid (2) 3 wks.' vacation after 12 yrs. (3) Life ins. for retired employees 50% company paid (West Groton plant only)	Same as above
International Paper Company Chicago, Ill. *Paperworkers, AFL-CIO—WE* *No union—S*	150 WE 20 S 7-1-56	$.09 per hr., add'l. $.09 per hr. 7-1-57—WE Comparable salary adj.—S	(1) Increased wkly. benefits for sick. and nonoccupational accidents — WE & S (2) 4 wks.' vacation after 25 yrs. eff. 7-1-57—WE & S	Result of contract expiration. Contract term—2 yrs.—WE Tandem adj.—S
Mead Corporation Kingsport, Tenn. *District 50, UMWA, ind.—WE* *No union—S*	1,150 WE 115 S 1-23-56	$.07 and $.08 per hr. depending on labor grade—WE 4%—S	(1) 4 wks.' vacation after 25 yrs.—WE & S (2) Reduced waiting period for sick and accident benefits—WE (3) Increased surgical coverage—S	Result of wage reopening. Contract expires 1-25-57 — WE Tandem adj.—S
Monadnock Paper Mills Bennington, N. H. *Paper Makers, AFL-CIO—WE* *No union—S*	140 WE 4-30-56 (signed 6-28-56) 35 S	7% WE & S	(1) 3 wks.' vacation after 15 yrs., 4 wks. after 25 yrs. (2) Increased Blue Cross and Blue Shield (3) Liberalized overtime provisions	Result of contract expiration. Contract term—1 yr.—WE Tandem adj.—S

Company and Union(s)	Approximate No. and Type of Employees Affected;* Effective Date	Amount of Adjustment	Fringe Benefits**	Remarks
Oxford Paper Company Rumford, Me. *District 50, UMWA, ind.—WE* *No union—S*	2,400 WE 6-1-56 *n.a.*S	$.10 per hr.—WE 5% ($4 per wk. min.)—S	(1) Increased vacation allowance: 3 wks. after 10 yrs. instead of 15—WE & S (2) 2 times pay for work on July 4, Labor Day and Christmas. (formerly 1½ times)—WE	Result of wage reopening. Contract expires 5-29-57 — WE Tandem adj.—S
Petroleum and Coal Products				
Cities Service Oil Company East Chicago, Ind. *Oil, Chemical and Atomic Workers, AFL-CIO*	550 WE 2-1-56 (signed 7-18-56)	6%, min. ($.15 per hr.)	(1) 8th paid hol. (2) 3 wks.' vacation after 10 yrs. instead of 15 yrs. (3) Improved sick. benefits	Result of contract expiration. Contract term—1 yr. Provision for 1 wage reopening.
Primary Metal Products				
Crucible Steel Company of America Pittsburgh and Midland, Pa. *Steelworkers, AFL-CIO*	8,650 WE 8-13-56	$.075 per hr. 8-2-56, add'l. $.07 per hr. 7-1-57 and 7-1-58; equivalent per cent adj. to incentive workers. $.03 per hr. increase in increments between jobs, add'l. $.02, 7-1-57 and 7-1-58	(1) Cost of living adj. twice yrly. (2) 10% premium for Sun. work 9-1-56, increased to 20% 7-1-57 and to 25% 7-1-58 (3) 2 times pay for hols. worked, increased to 2.1 times pay 7-1-57 and to 2.25 times pay 7-1-58 (4) 7th paid hol. (5) Jury duty differential pay (6) Add'l. ½ wk. vacation pay to employees with 3 but less than 5 yrs.' service, 10 but less than 15 yrs.' service, or more than 25 yrs.' service (7) Shift premiums changed to $.08 and $.12 per hr. (8) $.05 per hr. to SUB fund; plan provides for benefits for 52 wks. to laid-off employees with 2 or more yrs.' continuous service (9) Improved life, sick., accident, surgical and hospital. ins. contributory plan eff. 9-1-56 (10) Improved minimum pension benefits (for employees age 40 or more with 15 or more yrs. of continuous service) if employment is terminated due to layoff or permanent plant shut-down	Result of contract expiration. Contract term—3 yrs.
National-U.S. Radiator Corporation Edwardsville, Ill. *Molders and Foundry Workers, Machinists (both AFL-CIO)—WE* *n.a.—S*	337 WE 50 S 6-1-57	$.10 per hr.—WE $2.50 per wk.—S	None	Result of contract expiration. Contract term—1 yr.
United States Pipe and Foundry Company Birmingham, Ala. *Molders and Foundry Workers, AFL-CIO*	700 WE 3-1-56 (signed 6-17-56)	$.06 per hr. to rates under $2.31 per hr., $.10 per hr. to rates $2.31 and more per hr.	Year-round vacation plan—vacation formerly limited to May through Dec.	Result of contract expiration. Contract term—17 mos. Provides for 1 wage reopening during 1956
Printing and Publishing				
McCall Corporation Dayton, Ohio *Bookbinders, AFL-CIO*	1,135 WE 4-23-56 (signed 6-20-56)	$.075 per hr., add'l. $.0625 per hr. 1957 and 1958	(1) Jury duty pay: $5 per day for 14 days (2) 3 days' paid funeral leave (3) Increased shift premiums (4) 7th paid hol.	Result of contract expiration. Contract term—3 yrs.
Professional, Scientific and Controlling Instruments				
Federal Manufacturing & Engineering Company Garden City, N. Y. *IUE, AFL-CIO*	175 WE 7-1-56	$.09 per hr., add'l. $.04 per hr. 10-1-56, add'l. $.03 per hr. 4-1-57	None	Result of wage reopening. Contract expires 7-1-57
G-M Laboratories, Inc. Chicago, Ill. *Electrical Workers (UE), ind.*	175 WE 6-9-56	$.08 per hr., add'l. $.06 per hr. 6-9-57	Surgical ins. benefits increased	Result of contract expiration. Contract term—2 yrs.

Wage Adjustments Announced Prior to August 15, 1956—Continued

Company and Union(s)	Approximate No. and Type of Employees Affected;* Effective Date	Amount of Adjustment	Fringe Benefits**	Remarks
Public Utilities				
Kansas City Power & Light Company Kansas City, Mo. *IBEW, AFL-CIO*	1,482 WE 664 S 7-1-56	4.75%	(1) Company contributes 50% to life ins. plan (2) Improved vacations: 2 wks. after 1 yr., 3 wks. after 10 yrs., 4 wks. after 20 yrs.	Result of contract expira- tion. Contract term—2 yr
The Lake Shore Gas Company Ashtabula, Ohio *Utility Workers, AFL-CIO*	*n.a.* 6-1-56	$.145 per hr.	*n.a.*	Result of wage reopenin Contract expires 6-1-57
Milwaukee Gas Light Company Milwaukee, Wis. *Oil, Chemical and Atomic Workers, AFL-CIO*	819 WE 6-1-56	$.125 per hr.	(1) 3 wks.' vacation after 10 yrs. (2) Increased sick leave (3) Increased shift premium	Result of contract expira- tion. Contract term—2 yr
Retail Trade				
Safeway Stores, Inc. Portland, Ore. area *Retail Clerks, AFL-CIO*	1,500 WE 5-1-56	$.10 per hr., add'l. $.05 per hr. 1-1-57, add'l. $.06 per hr. 5-1-57	At union's option, $.06 hourly increase due to become effective 5-1-57 may be applied to union health and welfare plan or to wages	Result of wage reopening
Sears, Roebuck and Co. East St. Louis, Ill. *Retail Clerks, AFL-CIO*	150 WE 6-1-56	$.08 per hr.	5-day wk. (total time remains at 40 hrs.)	Result of contract expira- tion. Contract term—1 y
Rubber Products				
Firestone Tire and Rubber Company Interstate *Rubber Workers, AFL-CIO—WE* *No union—S*	21,000 WE 6,500 S 7-16-56	$.062 per hr.—WE $11 per mo. to those earning less than $426 per mo.; 2.6% to those earning $426 to $900 per mo.—S	Company contributes $.03 per hr. to SUB fund, details to be worked out—WE Under study—S	Result of wage reopenin Contract expires 10-31-56- WE Tandem adj.—S
B. F. Goodrich Company Interstate *Rubber Workers, AFL-CIO—WE* *No union—S*	13,532 WE 4,638 S 7-56	$.062 per hr.—WE $10.75 per mo. or 2.67%, whichever is greater—S	Same as above	Result of wage reopenin Contract expires 4-1-57 - WE Tandem adj.—S
Goodyear Tire & Rubber Company Interstate *Rubber Workers, AFL-CIO—WE* *No union—S*	23,000 WE 9,300 S 7-16-56	$.062 per hr.—WE $10.75 per mo. for those earning up to $401 per mo.; 2.68% for those earning up to $1,000 per mo.—S	Same as above—WE *n.a.*—S	Result of wage reopening.- WE Tandem adj.—S
United States Rubber Company Interstate *Rubber Workers, AFL-CIO*	32,000 WE 7-16-56	$.062 per hr.	Same as for WE above	Result of wage reopenin Contract expires 4-8-57
Stone, Clay and Glass Products				
Alpha Portland Cement Company St. Louis, Mo. *Cement, Lime and Gypsum Workers, AFL-CIO*	190 WE 5-1-56	$.18 per hr.	(1) 7th paid hol. (2) Improved group ins.	Result of contract expira- tion. Contract term—1 y
California Portland Cement Company Colton and Mojave, Cal. *Cement, Lime and Gypsum Workers, AFL-CIO*	525 WE 5-1-56	9%	(1) 7th paid hol. (2) Company pays 50% of dependents' health and welfare ins. and full cost of group life ins. (3) Improved pension plan (max. $70 per mo. — nonintegrated) (4) Double time for work over 12 hrs. and for 7th scheduled day	Same as above

Company and Union(s)	Approximate No. and Type of Employees Affected;* Effective Date	Amount of Adjustment	Fringe Benefits**	Remarks
arolina Giant Cement Company Harleyville, S. C. *ment, Lime and Gypsum Workers, FL-CIO*	160 WE 5-4-56	$.18 per hr.	(1) 1 add'l. paid hol. (2) Increased life, disability and hospital and surgical ins.	Same as above
oplay Cement Manufacturing ompany Coplay, Pa. *ement, Lime and Gypsum Workers, FL-CIO*	255 WE 5-7-56	Same as above	(1) 1 add'l. paid hol. (2) Revised ins.	Same as above
eneral Portland Cement Company Tampa, Fla. *ment, Lime and Gypsum Workers, FL-CIO*	300 WE 4-16-56 (signed 5-31-56)	Same as above	*n.a.*	Same as above
ercules Cement Corporation Stockertown, Pa. *ement, Lime and Gypsum Workers, FL-CIO*	269 WE 5-1-56	Same as above	(1) 1 add'l. paid hol. (2) Life ins. increased to $4,000 from $2,000 (3) Hospital room and board increased to $13 per day for 60 days from $10 per day for 31 days. Add'l. hospital expense increased to $300 max. Surgical expense increased to $250 max. from $200	Same as above
ohns-Manville Products orporation Waukegan, Ill. *hemical Workers, AFL-CIO*	1,982 WE 3-26-56	7% ($.144 per hr.)	4 wks.' vacation after 25 yrs.	Same as above
ehigh Portland Cement Company Flagler Beach, Fla.; Buffalo, N. Y.; Iola, Kan. *ement, Lime and Gypsum Workers, FL-CIO—WE* *o union—S*	593 WE 5-56 97 S 4-1-56	$.18 per hr.—WE 10%—S	Improved group ins.—WE & S	Result of contract expiration. Contract term—1 yr.—WE Tandem adj.—S
arquette Cement Manufacturing ompany Brandon, Miss.; Nashville, Tenn.; West Des Moines, Ia.; Rockmart, Ga. *ement, Lime and Gypsum Workers, FL-CIO*	619 WE 4-56 (Brandon and Nashville) 5-56 (Des Moines and Rockmart)	$.195 per hr. (Brandon) $.18 per hr. (Nashville and Des Moines) $.23 per hr. (Rockmart)	(1) 1 add'l paid hol. (2) $3 per day increase in hospital allowance. $60 increase in special services max. $50 increase in surgical max. (increased contribution rate to partially cover added costs)	Result of contract expiration. Contract term—1 yr.
onolith Portland Cement ompany Riverside and Monolith, Cal. *ement, Lime and Gypsum Workers, FL-CIO—WE* *.a.—S*	430 WE 5-1-56 *n.a.* S	9%—WE 12%—S	(1) Hols. paid "as such" (formerly paid only if scheduled) (2) 7th paid hol. (3) 2 times pay for 7th day worked in workweek (4) Company-paid life ins. of $2,000 after 1 yr.'s service (5) Company pays ½ cost of dependents' coverage in hospital and surgical plan (6) Max. service credits increased to 35 yrs. from 25 yrs. (Max. pension $70 per mo.) All fringe adjustments—WE only; *n.a.*—S	Result of contract expiration. Contract term—1 yr. (Pension agreement 5 yrs.)
ational Gypsum Company Portsmouth, N. H. *ement, Lime and Gypsum Workers, FL-CIO*	120 WE 4-1-56 (signed 5-16-56)	$.143 per hr.	2½ times pay (total) for hols. worked	Result of contract expiration. Contract term—1 yr.

Wage Adjustments Announced Prior to August 15, 1956—Continued

Company and Union(s)	Approximate No. and Type of Employees Affected;* Effective Date	Amount of Adjustment	Fringe Benefits**	Remarks
Robinson Clay Products Midvale, Malvern and Magadore, Ohio; Clearfield, Pa. *Brick and Clay Workers, AFL-CIO*	670 WE 5-29-56	\$.08 per hr. to hourly workers; 3% incentive workers. Add'l. \$.08 per hr. and 3%, 1957	(1) 4 paid hols., add'l. 2 paid hols.—1957 (2) 3 wks.' vacation after 15 yrs.	Result of contract expi tion. Contract term—2 y
Rockland-Rockport Lime Company, Inc. Rockland, Me. *Cement, Lime and Gypsum Workers, AFL-CIO*	60 WE 5-1-56	\$.05 per hr., add'l. \$.03 per hr. 10-1-56	None	Result of contract expi tion. Contract term—1
Universal Atlas Cement Company Subsidiary of United States Steel Corporation Hannibal, Mo.; Leeds, Ala. *Cement, Lime and Gypsum Workers, AFL-CIO*	554 WE 5-56	\$.18 per hr.	1 add'l. paid hol.	Same as above
Transportation				
Atlanta Transit System, Inc. Atlanta, Ga. *Motor Coach Employees, AFL-CIO*	1,000 WE 6-21-56	\$.14 per hr. over the 2-yr. period	(1) 3 wks.' vacation after 13 yrs. (2) Company contribution to group ins. increased	Result of contract expi tion. Contract term—2 y
Transportation Equipment				
Aro Equipment Company Bryan, Ohio *Machinists, AFL-CIO*	725 WE 6-9-56	\$.1071 per hr. for 2 yrs.	(1) 1 add'l. paid hol. (2 half-days) (2) Blue Cross-Blue Shield benefits for dependents at cost to employee of \$.50 per wk.	Result of contract expi tion. Contract term—2 y
Boeing Airplane Company Seattle and Moses Lake, Wash. *Seattle Professional Engineering Employees, ind.*	4,948 S 5-4-56	5%	(1) 2nd shift premium increased to \$.12 per hr. (2) Overtime base increased	Result of contract expi tion. Contract term—1
Statewide Washington *Machinists, AFL-CIO*	23,632 WE 5-22-56 (signed 6-8-56)	5%, add'l. \$.07 per hr. 1957	(1) 1-hr. vacation credit for each 17 hrs. worked after 10 yrs.' service (2) Full pay for jury duty (3) 2nd shift premium increased to \$.12 per hr.	Result of contract expi tion. Contract term—2 y
Cessna Aircraft Company Wichita, Kan. *Machinists, AFL-CIO*	4,583 WE 6-18-56	\$.06 to \$.16 per hr.	None	Result of wage reopenin Contract expires 6-30-57
Cleveland Pneumatic Tool Company Cleveland and Maple Heights, Ohio *Aerol Aircraft Assn., ind.*	1,650 WE 6-1-56	\$.113 per hr.	(1) Improved vacation plan; pro-rata pay for laid-off, deceased and retired employees (2) Company pays increased cost of Blue Cross	Result of contract expi tion. Contract term—1 y
The New York Air Brake Company Watertown, N. Y. *Machinists, AFL-CIO*	1,585 WE 6-25-56	3% to day rates (min. \$.05 per hr.)	None	Result of wage reopenin Contract expires 7-6-57
Truck Engineering Corporation Cleveland, Ohio *UAW, AFL-CIO*	145 WE 6-4-56	\$.10 per hr.	(1) 7th paid hol. (2) Improved vacations (3) Improved hospital. ins.	Result of contract expi tion. Contract term—1 y
Miscellaneous Manufacturing				
Coats & Clark, Inc. Pawtucket, R. I. *Textile Workers, AFL-CIO*	600 WE 4-15-56	6.5%	Blue Cross benefit increased to \$12 per day from \$8	Result of contract expi tion. Contract term—1 y
Osborn Manufacturing Company Cleveland, Ohio *UAW, AFL-CIO*	320 WE 6-25-56	\$.12 per hr.	1½ times pay for Sat. and Sun. work "as such" for firemen	Same as above

Wage Adjustments Announced Prior to August 15, 1956—Continued

Company and Union(s)	Approximate No. and Type of Employees Affected;* Effective Date	Amount of Adjustment	Fringe Benefits**	Remarks
CANADIAN ADJUSTMENTS				
malgamated Electric orporation, Ltd. Toronto, Ont. *lectrical Workers (UE), ind.*	460 WE 5-56	\$.04 per hr., add'l. \$.02 per hr. 6-57 and \$.04 per hr. 12-57	(1) Noncontributory pension plan (2) Liberalized hospital and medical plan	Result of contract expiration. Contract term—2 yrs.
owater's Newfoundland Pulp & aper Mills, Ltd. Corner Brook, Nfld. *BEW; Pulp, Sulphite and Paper fill Workers; Machinists; Paper fakers—all CLC*	1,755 WE 6-56	\$.12 per hr., add'l. 5% 6-57	(1) 1 floating holiday immediately, add'l. floating holiday 1957 (2) Increased company contribution to group ins. plan (3) After 3 wks.' absence due to accident or illness, company assumes employee's contribution to group ins. and pension	Same as above
anada Crushed & Cut Stone Hamilton, Ont. *ement, Lime and Gypsum 'orkers, CLC*	125 WE 4-56	\$.05 per hr.	Increased shift premiums	First contract. Contract term —1 yr.
anadian Westinghouse ompany, Ltd. Hamilton, Ont. *lectrical Workers (UE), ind.*	5,050 WE 4-56	\$.07 per hr., add'l. \$.05 per hr. 4-57	(1) Improved pension plan (2) Liberalized hospital, medical and surgical benefits	Result of contract expiration. Contract term—2 yrs.
ominion Bridge Company, Ltd. Montreal, Que. *teelworkers, CLC*	1,250 WE 12-55 (signed 4-56)	Workweek reduced by 2½ hrs. to 40 hrs. with maintenance of pay, plus \$.02 per hr. av.	*n.a.*	Result of contract expiration. Contract term—14 mos.
[. J. Heinz Company, Ltd. Leamington, Ont. *ackinghouse Workers, CLC*	632 WE 2-56 (signed 6-56)	\$.09 per hr.—men \$.11 per hr.—women	(1) 1 add'l. paid hol. (2) Company contribution to welfare plan increased to 75% eff. 8-56 (3) Shift premium increased to \$.07 per hr. from \$.05 (4) Call-in pay and reporting allowance increased to 4 hrs. from 3	Result of contract expiration. Contract term—1 yr.
nternational Harvester of Canada.. Hamilton, Ont. *teelworkers, CLC*	1,758 WE 4-56 (signed 5-56)	\$.04 per hr.	(1) Noncontributory hospital, surgical and medical plan (2) 2½ times pay for hols. worked (3) Shift premium increased to \$.08 per hr. from \$.07 (4) SUB—company contribution of \$.05 per hr. per employee to fund	Same as above
. J. McFadden Lumber ompany, Ltd. Blind River, Ont. *'oodworkers, CLC*	400 WE 6-56	\$.05 per hr.	(1) 4th paid hol. (2) 2 wks.' vacation for employees with from 3 to 15 yrs.' service; 3 wks. after 15 yrs.	First contract. Contract term —1 yr.
reston East Dome Mines South Porcupine, Ont. *teelworkers, CLC*	305 WE 5-56	Workweek reduced by 4 hrs. to 44 with no loss in pay	*n.a.*	Result of contract expiration. Contract term—2 yrs.
rice Brothers & Company, Ltd. Kenogami, Que. *ulp and Paper Workers, CTCC; ffice Employees, CLC*	1,600 WE 200 S 5-56	\$.12 per hr., add'l. 5% 1957 —WE 5% (min. \$21 per mo.), add'l. 5% 5-57—S	(1) Increased shift premium —WE (2) 1 add'l. floating hol.—WE (3) Company contribution of \$2.25 per mo. to welfare plan—WE & S	Same as above

Wage Adjustments Announced Prior to August 15, 1956—Continued

Company and Union(s)	Approximate No. and Type of Employees Affected;* Effective Date	Amount of Adjustment	Fringe Benefits**	Remarks
Royalite Hi-Way Limited Saskatoon, Sask. *Oil, Chemical and Atomic Workers, CLC—WE* *No union—S*	150 WE 30 S 2-56 (signed 4-56)	$.12 per hr.—WE & S	None	Result of contract expiratio[n] Contract term—1 yr.—W[E] Tandem adj.—S
Shipping Federation of Canada Montreal, Que. *Longshoremen's Association, ind.*	3,000 WE 4-56	$.05 per hr.	Improved pensions, welfare benefits, and vacation pay	Result of contract expir[a]tion. Contract term—9 mo[s].
Steep Rock Iron Mines Steep Rock Lake, Ont. *Steelworkers, CLC*	913 WE 2-56 (signed 5-56)	$.22 per hr.	None	Result of wage reopenin[g] Contract expires 1-31-57
Trans-Canada Air Lines Montreal, Que. *Machinists, CLC*	3,500 WE 1-56 (signed 7-56)	4%	None	Result of contract expir[a]tion. Contract term—15 mo[s].
Wabasso Cottons Limited Three Rivers, Shawinegan Falls, and Grand Mere, Que. *Textile Workers, CLC*	1,500 WE 6-56	Reduction of workweek from 50 to 40 hrs. Rates increased to yield add'l. 7% on wkly. take home pay	(1) 2 add'l. paid hols. (2) 3 wks.' vacation after 25 yrs. (3) Liberalized hospital ins.	First contract. Contract ter[m]—1 yr.
Yale Lead & Zinc Mines Ainsworth, B. C. *Mine, Mill and Smelter Workers, ind.*	65 WE 11-55 (signed 6-56)	$.11 per hr.	1 add'l. paid hol.	Result of settlement aft[er] work stoppage. Contra[ct] term—2 yrs.

* WE, wage earner; S, salaried personnel; *n.a.*, not available.
** Fringe benefits include all benefits received by workers at a cost to employers.

(Text continued from page 334)

IBEW, more than 600 salaried employees are affected. Their 4.75% increase is identical to that of the wage earners in the same union. A settlement between Boeing Airplane Company and the Seattle Professional Engineering Association brought a 5% increment to about 5,000 engineers. The Northwestern Mutual Life Insurance Company granted an 8-cent hourly raise to some 1,300 salaried employees in the Associated Unions of America, ind. And the Worcester Gas Light Company agreement with District 50, UMWA, included nearly a hundred salaried members of the union.

A total of thirty-four settlements include deferred increases; four of these occur in Canadian agreements. While most are two- and three-year contracts with installment payments on anniversary dates, exceptions are noted in two one-year contracts. The one-year agreement between Rockland-Rockport Lime Company and the Cement, Lime and Gypsum Workers provides for a 5-cent initial increase this year and a subsequent increase in October. And the Lion Oil Refinery, in a one-year agreement with the Operating Engineers, AFL-CIO, granted a 15-cent boost in June and two further increases of 5 cents each in July and September of this year.

The sixteen Canadian settlements included hourly wage increases ranging from 4 cents to 22 cents. Two of these provide for a reduction in the workweek to forty hours, and one other provides for a reduction to forty-four hours. In other respects, fringe items in the Canadian settlements follow the pattern of fringes in the United States. The agreement between International Harvester of Canada and the Steelworkers, CLC, includes a supplemental unemployment benefit plan in addition to the 4-cent hourly raise and other fringes.

The 140 settlements reported during this period affect more than 250,000 employees in the United States and Canada. Details of most of these settlements are given in the table starting on page 335.

MITCHELL MEYER
N. BEATRICE WORTHY
Statistical Division

In the September Business Record

Problem of Money Supply—Is the relative stringency of money, the supply of which has increased only fractionally over the past year, a good thing? Or does it mean trouble ahead? Both short-term and long-term effects of money supply on business activity are studied.

Doing Business Away from Home—Harry F. Prioleau, president, Standard-Vacuum Oil Company, brings a personalized picture of American capital abroad. "In many regions," he says, "we have won success and good will. In others, we have made good and yet we are not fully accepted." He draws upon "the experience of the oil industry, which accounts for over one-third of our total foreign investment" to illustrate "the problems faced by American enterprise away from home."

Where Is the Defense Dollar Going?—The shift in emphasis has been from "conventional" weapons to the newer electronic and nuclear models. Various factors seem to indicate larger outlays than those planned for fiscal 1957. An over-all picture of the general trend in spending and of the new arsenal is provided in this article.

Business Next Year—Right now, the footing for forecasters is slippery indeed, says the magazine's business analyst. One of the reasons is that, unlike 1952, the 1956 steel strike has not yet produced a "dependable, forecastable, cyclical package." Some suggestions on the areas that require the closest attention are given.

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Why should Mr. Harvey join a union?

Mr. Harvey is an engineer. He is employed by a large company and makes a good salary. Furthermore, he likes the engineering profession. Why on earth would this conservative, middle-class, white-collar employee want a union to represent him?

Yet the fact is that many Mr. Harveys have signed or are signing up as union members. So obviously there must be some discontent.

One way to discover what has caused this discontent among engineers is to investigate the actual contracts the engineering unions have negotiated. The Board's new report, "Engineering Union Contracts," does this. It gives the principal provisions of sixteen contracts that govern the employment standards of approximately 32,000 salaried engineers and technicians. The provisions are either quoted in full or accurately digested. Company names are specified in nine contracts; in the remaining seven, where the companies preferred to remain anonymous, the specific field of employment—such as aircraft, utility, etc.—is given.

This recently issued report, which should be of interest to all those concerned with employment standards in both unionized and nonunionized companies, is available only on request. If you wish a copy, write the Board and ask for:

ENGINEERING UNION CONTRACTS